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DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS FOR 1994

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RINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRD CONGRESS

FIRST SESSION

SUBCOMMITTEE ON THE DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS

BOB CARR, Michigan, *Chairman*

RICHARD J. DURBIN, Illinois	FRANK R. WOLF, Virginia
MARTIN OLAV SABO, Minnesota	TOM DELAY, Texas
DAVID E. PRICE, North Carolina	RALPH REGULA, Ohio
RONALD D. COLEMAN, Texas	
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DELACROIX DAVIS III, RICHARD E. EFFORD, CHERYL L. SMITH, and LINDA J. MUIR, *Subcommittee Staff*

PART 7A

(Pages 1–1291)

TESTIMONY OF MEMBERS OF CONGRESS AND PUBLIC WITNESSES

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DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS FOR 1994

HEARINGS

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DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS FOR 1994

TESTIMONY OF MEMBERS OF CONGRESS AND PUBLIC WITNESSES

TUESDAY, MARCH 23, 1993.

STATE OF ILLINOIS

WITNESS

JOHN J. CULLERTON, A STATE SENATOR FOR THE STATE OF ILLINOIS

OPENING REMARKS

Mr. CARR. We will call this session of the Transportation Appropriations Subcommittee to order.

Today we are going to have public witnesses. For those of you who have followed these hearings in the past, you will notice the change in the syntax. We used to call people outside witnesses, but it seemed to me silly that people would be called as outside witnesses, when they own the country, in the words of Ross Perot. It seems to me that people from across the country who journey here to visit with us ought to be accorded the respect of not being called outsiders. We now term it a day when we have public witnesses.

I would first like to call upon my good friend and colleague from Illinois, Congressman Dick Durbin, Chairman of the Agriculture Appropriations Subcommittee and Vice Chairman of this Committee, for a few remarks.

Mr. DURBIN. Thank you very much, Mr. Chairman.

I thought it was good to be called an outsider this year.

Mr. CARR. We will call you an outsider.

Mr. DURBIN. Thank you very much. [Laughter.]

Mr. CARR. No, you are part of the team.

Mr. DURBIN. Thank you very much.

I want to thank the chairman and the committee for the opportunity today to hear testimony from public witnesses. I am honored to introduce as the first public witness a friend of mine, State Senator John Cullerton of Illinois. John is from the city of Chicago. He has served as State Representative and State Senator. He will be addressing highway safety issues facing the city of Chicago and the State of Illinois.

I have worked with him on legislative matters and can tell you that his reputation in Illinois as an outstanding legislator is well known. I am glad to have him as our opening witness.

Thank you, John.

Senator CULLERTON. Thank you very much, Mr. Chairman, and thank you very much, Mr. Durbin, and also for your help. This is the first time I have ever testified in front of Congress. I appreciate your help. The elevator pass and the hall pass that you provided was very helpful.

My background, Mr. Chairman, has been to be the sponsor in Illinois of the child passenger safety law that we passed as well as a seat belt law. I have attempted to pass since 1989 a motorcycle helmet law. We in Illinois are one of three States that has no helmet law at all.

I wanted to emphasize to you that I feel the money that goes to safety programs in our State—specifically the 402 programs and now the 153 programs—are very important. I am told that they are a relatively small part of your budget, but the money goes to highway safety programs which are really cost-saving measures protecting lives and saving money. I would urge you to continue appropriating that money.

Last week Chicago hosted a convention called the Lifesavers Convention. It was the 11th time they have met. About 1,200 people from all over the Nation came to meet to talk about highway safety. We had the pleasure of having the United States Secretary of Transportation address us. We passed a resolution unanimously at that convention urging specifically Congress to endorse the section 153 program and to oppose efforts to weaken or repeal those provisions.

Today at 2:00 in Springfield I am calling our motorcycle helmet law. I feel because of the actions the Congress took by passing the section 153 program that we now have an excellent chance to pass this bill. I personally feel that the helmet law is a smart idea. It saves lives and it saves money.

I personally feel that we have not had much chance to pass it up until this year. As a practical matter, because of what you have done, there is the possibility that there will be money diverted from road programs in Illinois to other safety programs. We are told that about $9 million per year, ultimately, will be lost to road projects and about $700,000 can be gained by passing a helmet law.

This has brought in new supporters. For example, the Illinois road contractors, who never really realized how important it was to have a helmet law, are going to be testifying this afternoon in Springfield.

Our governor, who happens to be a Republican governor and who has had a reputation for being very strong in highway safety, up until now has been neutral on the issue of helmet laws. He is working the Republican side of the aisle, specifically, and Republicans control the Senate. This will be an added benefit because in the past the party for the most part has not supported these measures.

So I feel it is very important. I understand that there is perhaps an effort to repeal this law or defer it. I would just say that although you have probably heard from a number of State legislators who will tell you to stop blackmailing them, I am here to encourage you to continue in this process because I think it is necessary and it is what it takes to pass the law.

We do not have the helmet law. There are other bills which we need to pass in the area of beefing up our child passenger safety law. I understand that the State of Michigan has done both of those things, but in Illinois we have not. This can be very, very important.

I would be happy to answer any questions. I appreciate the opportunity to be here.

Mr. CARR. Thank you for coming. Your concern for safety is well known.

In the development of your helmet law campaign, have you developed any statistics about the number of injuries and potential liability that having a helmet law would have saved in Illinois?

Senator CULLERTON. The emphasis has been on the money that can be saved. There is an emergency room physician in Chicago who has done a study with regard to studying helmetless drivers versus those with helmets. It cuts in half the chances of being seriously injured or being killed. When you look and see what happens to the drivers—they have a motto, "Let those who ride decide."

The fact is that we end up paying for them. About two-thirds of the people who are seriously injured on motorcycles end up on public aid. We can't just ignore them. We have to take them to our public hospitals, we have to take care of them, and we have to pay for them.

So in light of the renewed debate on health care, this is going to be a key part. It saves money. That is what we're emphasizing. Obviously it saves lives as well. Helmets make sense. It is intuitively obvious that a helmet is going to keep you safer, cutting in half the chances for serious injury and death.

Mr. CARR. If you have developed any numbers, maybe you could forward them.

Senator CULLERTON. Certainly.

Mr. CARR. Which other States are with Illinois?

Senator CULLERTON. Iowa, Colorado, and Illinois have no helmet laws. Then I think there are something like 23 or 24 States that have it for less than a certain age. We thought about trying to pass that law, but we realized that when looking at the statistics, you don't really cover that many people who are motorcycle riders. It is also more difficult to enforce the law if you have an age limit. If you have the law applying to everybody, it is very easy for the police officer to find out whether or not someone is wearing a helmet or not.

Mr. CARR. In your discussions in Illinois, are you also considering requiring helmets for cyclists?

Senator CULLERTON. If I said that today, the opponents would—we haven't gotten that far yet because we haven't even passed the helmet laws for motorcycles.

Mr. CARR. I don't know what it is like in Chicago, but I know that around Washington, D.C. we have a lot of bicycle couriers, almost all of whom I think wear helmets. But they provide a wonderful example of what someone could do with a bicycle in heavy traffic—of course, I am being facetious.

These folks, in my judgment, are real daredevils, perhaps inspiring some kids to go out and try to play in the traffic with their bicycle. They won't be working for a company that would require a helmet.

It would seem to me that the same logic applies just in terms of a safety issue.

Senator CULLERTON. From what I understand, only one State—I think Virginia has a helmet law for bicycle riders. But we are just starting on the first step for motorcycles.

Mr. CARR. Where is your district in Chicago?

Senator CULLERTON. My district includes Wrigley Field.

Mr. CARR. A little-known ball club in Illinois.

Senator CULLERTON. I have the loop and the north side of Chicago. We have about 200,000 people.

Mr. CARR. You come from a beautiful city. I know it well. I was born and raised in southern Wisconsin. In my growing-up years, Chicago was the capitol of the world. Mr. Durbin says that it still is. [Laughter.]

Mr. CARR. You come from a very nice community and we are glad to have you here.

Dick, do you have any questions?

Mr. DURBIN. Thank you, Mr. Chairman.

Senator Cullerton, I appreciate your testimony today. I guess you are heading back to Springfield.

Senator CULLERTON. Yes, sir.

Mr. DURBIN. I wish you the very best of luck.

I want to add, as the chairman and every elected official knows, supporting this safety measure is not without some political peril. I have received hundreds of letters and visits from folks who want to reason with me on this issue. I hope you will stick with this because ultimately you will have the satisfaction of not only passing a good law, but saving lives.

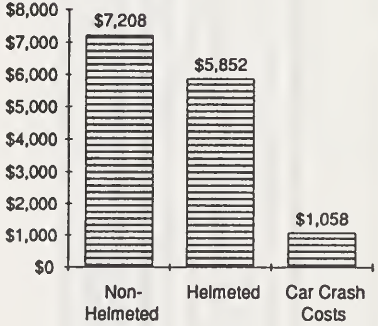
Senator CULLERTON. Thank you very much.

Mr. DURBIN. Thank you, Mr. Chairman.

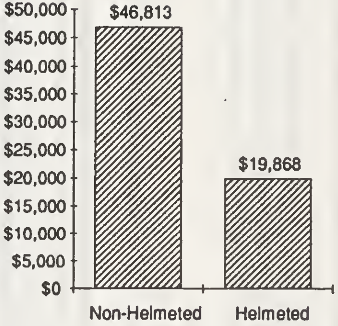
Mr. CARR. Thank you, Senator.

[Additional information provided from Senator Cullerton follows:]

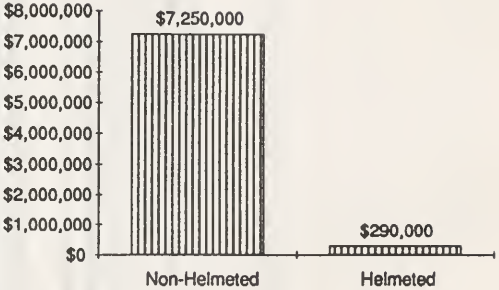
ILLINOIS MOTORCYCLE CRASH COSTS
1988



Acute Health Care Costs (Average)



Acute Health Care Costs of Severely Head Injured Patients (Average)



Total Fatality Costs

Acute Health Care Costs

Nonhelmeted: $2,450,720
Helmeted: $339,416

Acute Health Care Costs

Nonhelmeted: $1,404,393 (30 pts)
Helmeted: $79,471 (4 pts)

**Illinois
Motorcycle
Helmet
Coalition**

THE HELMET LAW: WHAT IT MEANS TO NON-MOTORCYCLE RIDERS

The Intermodal Surface Transportation Efficiency Act of 1991
...the potential gains and losses

Up to $781,000 could be awarded to the State of Illinois if a mandatory helmet law is in effect by September 30, 1993. This grant derives from a three year federal incentive program designed to encourage states to adopt and promote compliance with safety belt and helmet laws.

And $4.5 million will be taken away from Illinois' highway budget in 1995 if the state does not pass the law. This loss stems from penalties contained in the act for states that do not adopt the law by FY 94. This figure will double to $9 million by 1996 if no law is in place.

The Illinois Economy Will Suffer

Losing highway construction money will have a direct impact on the health of the Illinois economy:

- 140 jobs will be lost in construction in 1993; 280 jobs will be lost every year after. Every $1 million of new construction creates 31.2 jobs in the state.

- Every dollar spent on new construction in Illinois generates $2.61 in economic activity. If Illinois is penalized under this act, the state will lose $11,746,796 to the economy.

Non-Riders Are Affected

The financial strains placed on the healthcare system by motorcycle injuries and fatalities affect everyone:

- $4.5 - $4.9 million is the lifelong cost of treating a patient with a severe head injury. Barely half of that amount is usually ever paid ---if it is paid at all.

- $8.2 million would have been saved in acute health care costs in 1988 alone, if all motorists had been wearing helmets. Millions more in long term care and rehabilitation costs would also have been saved.

**Illinois
Motorcycle
Helmet
Coalition**

COMMON QUESTIONS ABOUT AN ILLINOIS HELMET LAW

Aren't mandatory helmet laws unconstitutional?

No. Helmets laws have been upheld in more than 25 states. The United States Supreme Court has upheld all the helmet law cases it has considered.

Aren't helmets themselves dangerous because they impair vision and hearing?

No. Helmets provide a field of view of greater than 180°, well above the 140° required by law. Helmets impair hearing slightly --- but no more than being in a car with closed windows. More important is the "before and after" comparison within individual states. When Louisiana strengthened its law from partial to full use, it saw a 44% decline in the fatality rate. When South Carolina and Wyoming weakened their laws, the fatality rates increased 184% and 73% respectively.

Don't helmets cause neck injuries?

No. In a recent study conducted at the University of Illinois, it was found that helmets do not cause an increased number of neck injuries.

Isn't a law unnecessary because most motorcyclists wear helmets voluntarily?

No. In a 1988 study of motorcycle trauma in Illinois, only 15% of the injured motorcyclists wore helmets. In states with helmet laws, the usage rate is usually greater than 98%.

Shouldn't each motorcyclist decide whether he wears a helmet?

No. Illinois' economy is suffering because we don't have a helmet law. The average acute health care cost for an injured Illinois motorcyclist in 1988 was $6530. The long term care for a brain injured person can range up to $5 million. Over half of the injured motorcyclists had no health insurance. The acute care costs of the 5,484 injured motorcyclists in 1988 was $35.3 million —almost half of which was paid with public funds.

Under the federal highway bill, Illinois would be eligible for incentive funds of up to approximately $800,000 over the next three years. Additionally, if the state does not enact an all rider bill by September 30, 1993, a portion of the state's road construction funds will be re-directed into safety programs – a loss of $4,492,942 in FY 95, and $8,985,885 in each year after. Those dollars convert into 140 lost construction jobs the first year and 280 in each later year.

COSTS OF MOTORCYCLE TRAUMA

Presented by
Elizabeth Orsay, MD, FACEP
Assistant Professor of Emergency Medicine
University of Illinois at Chicago
Representing the
Illinois College of Emergency Physicians

- During the five year period of 1985 - 1989, there were 37,302 motorcycle crashes with 839 deaths plus 29,515 injuries in Illinois.
- Motorcycle crashes accounted for 1.1% of all motor vehicle accidents, but were responsible for 8.4% of all motor vehicle fatalities.
- Our 1988 study of motorcycle trauma in Illinois revealed:
  - Only 15% of motorcycle crash victims wore helmets.
  - There were almost three times as many head injuries among nonhelmeted motorcyclists (32% v. 12%).
  - The average health care cost for all injured motorcyclists was $6530; over 50% had no health insurance.
  - A 23% increase in health care costs occurred among nonhelmeted motorcyclists.
  - A 136% increase in health care costs occurred in nonhelmeted motorcyclists who sustained severe head injuries.
- In 1988, the acute health care costs for the 5,484 injured motorcyclists was over $35.3 million --- almost half of which was paid with public funds.
- If all motorcyclists had been wearing helmets in 1988, $8.2 million would have been saved in acute health care costs and millions more in long term care and rehabilitation expenses.

"...We cannot agree that the consequences of such injuries are limited to the individual who sustains the injury. The public has an interest in minimizing the resources directly involved...(The moment one is injured)...society picks up the person off the highway, delivers him to a municipal hospital and municipal doctors, provides him with unemployment compensation if ...(he) cannot replace his lost job...(or has) permanent disability...(assumes) responsibility for his family. We do not understand the state of mind that permits the plaintiff to think that only he himself is concerned."

From the US Supreme Court 1972 Decision

Illinois College of Emergency Physicians • 1 S 280 Summit Avenue, Court B-2 • Oakbrook Terrace, IL 60181 • 708-495-6400

RESOLUTION ON SECTION 153
AT LIFESAVERS 11
MARCH 15, 1993

WHEREAS, approximately 40,000 people are killed and millions injured annually in motor vehicle crashes in the United States; and

WHEREAS, thousands of these deaths and injuries could be prevented by the use of safety belts and motorcycle helmets; and

WHEREAS, state safety belt and all-rider motorcycle helmet use laws are the most effective means to get people to buckle up and to wear helmets; and

WHEREAS, taxpayers pay a large percentage of the cost of motor vehicle crash deaths and injuries; and

WHEREAS, the recent federal surface transportation law -- the Intermodal Surface Transportation Efficiency Act (ISTEA) -- included provisions to encourage states to enact safety belt and all-rider motorcycle helmet use laws, known as Section 153,

THEREFORE, the LIFESAVERS 11 Conference hereby resolves to endorse Section 153 and to oppose efforts to weaken or repeal these provisions.

TUESDAY, MARCH 23, 1993.

DALLAS AREA RAPID TRANSIT AUTHORITY

WITNESSES

HON. MARTIN FROST, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

HON. EDDIE BERNICE JOHNSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

STEVE BARTLETT, MAYOR, DALLAS, TEXAS

KATHY INGLE, CHAIRMAN, DART BOARD

VICTOR BURKE, GENERAL MANAGER, DART

Mr. CARR. Our next witnesses we are honored to have today include our former colleague and now Mayor of Dallas, Steve Bartlett; Kathy Ingle, chairman of the DART board; and to make sure that their way before this committee is as easy as possible, our good friends, Martin Frost and Eddie Bernice Johnson from Dallas area are also here.

I will call upon the dean of the Dallas delegation, my good friend, Martin Frost, for a few words.

Mr. FROST. They will be very few, Mr. Chairman, because my voice is fading rapidly.

Mr. Chairman, we appreciate the opportunity to appear before your subcommittee this morning to again request an appropriation for fiscal year 1994 for the Dallas Area Rapid Transit South Oak Cliff rail line. As you mentioned, with me are my colleague, Congresswoman Eddie Bernice Johnson, from whom you will hear in a moment, and from Dallas the Hon. Steve Bartlett, mayor of the city of Dallas, Kathy Ingle, chairman of the DART board, and Mr. Victor Burke, DART general manager.

I know that you will be hearing from many witnesses over the next 2 days, so I will keep my comments brief. Congresswoman Johnson and I have already submitted a joint written statement.

As you know, the DART started rail system has a very large overmatch. When completed, 80 percent of the starter rail system will be funded by a locally dedicated sales tax, and only 20 percent will come from Federal sources. This year, DART is requesting $86 million for work on the South Oak Cliff line. All previously appropriated funds have been committed and DART is prepared to spend all the requested funds for fiscal year 1994 now.

DART has already begun construction of the line and there is a real need for these funds to keep construction of the line on schedule. I would deeply appreciate the committee's favorable consideration of DART's request.

Up until this year, the South Oak Cliff line was in the district that I represent. It is now in the district of our new colleague, Eddie Bernice Johnson. I would like to call on her at this point.

Ms. JOHNSON. Thank you very much.

Thank you, Mr. Chairman, for the opportunity to appear before your subcommittee this morning. My name is Eddie Bernice Johnson and I am the Congressperson representing the 30th congressional district of Texas, which includes the majority of urban Dallas. I am proud to join Mr. Frost and two of my constituents in seeking your approval once again for an appropriation for the South Oak Cliff rail line.

Although Congressman John Bryant supports DART, due to a scheduling conflict, he tells me he is unable to be here today, but he will be submitting written testimony.

The South Oak Cliff rail line is an important part of the DART starter rail system. Despite self-financing 80 percent of the initial 67-mile starter system, DART has been able to operate efficiently and hold the line on fares. For example, despite undertaking construction of the light rail, DART has not increased fares for its riders since 1991. During that time, DART has decreased its annual budget by over $7 million.

Many of the passengers served by the South Oak Cliff rail line will be low income and minority citizens. In contrast to many transit around the Nation, I believe strongly that DART deserves extra credit for realizing the immediate need to reach out to those communities which need mass transportation and rapid transportation to be able to participate in the regional economy.

Mr. Chairman, I believe that when we maximize the various criteria and examine it for making funding decisions, you will realize the superiority of the proposal from DART. In ridership and in economic environmental benefits I believe the DART system is a superior enterprise, and I certainly hope that you will agree.

Thank you for listening.

[The joint statement of the Hon. Frost and the Hon. Johnson of Texas follows:]

Joint Statement by
Representative Martin Frost (D-TX)
Representative Eddie Bernice Johnson (D-TX)

In Support of
The DART Light Rail Project

Before the House Appropriations Subcommittee on Transportation

March 23, 1993

****

Mr. Chairman, we thank you and your colleagues on the Transportation Subcommittee for the opportunity to testify in support of the Dallas Area Rapid Transit South Oak Cliff rail line. With us from Dallas are the Honorable Steve Bartlett, Mayor of Dallas, Kathy Ingle, Chairman of the DART Board, and Victor Burke, DART General Manager.

As you know, the South Oak Cliff line is part of a DART starter rail system that will provide our constituents with a much needed low-cost transportation alternative. It is just one part of DART's multi-modal approach to meet the areas' transportation needs. DART presently supplies bus and mobility-impaired transportation service for its 14 member cities. In 1992, DART transported over 170,000 passengers each weekday on urban and suburban routes. In addition, the agency's HandiRides van and cab service made more than 60,000 trips each month. Further, 1992 was the first full year of service for its High Occupancy Vehicle (HOV) lane, located on Interstate 30 east of downtown Dallas.

As part of DART's multi-modal approach, the South Oak Cliff rail line will serve an area of Dallas that is made up of primarily poor and minority citizens. This line along with the existing bus service will give those citizens greater access to the economic centers of the city. This is crucial to economic growth in this area. The American Public Transit Association (APTA) estimates that DART's construction will create 64,000 new jobs and generate $2.6 billion in business revenues through 1996.

As you know, the DART starter rail system has an 80 percent local funding commitment and requests only 20 percent federal funding. We believe that this overmatch of funds by the local authorities more than demonstrates local commitment to this project. This year, DART is requesting $86 million for FY 1994-- $77.5 million for the South Oak Cliff Light Rail Transit Line and $8.5 million for the South Oak Cliff Bus Maintenance Facility and Training Academy. DART has obligated all of the funds appropriated for the South Oak Cliff LRT project prior to this year and is ready to obligate all of the funds being requested today.

DART began construction of the light rail starter system in February of 1992, and the system is projected to be providing passenger service in 1996. In the past year DART has issued more than $600 million in construction, vehicle and systems contracts. With all of these contracts, the project has remained within budget. In addition, DART recently reviewed all of its operating and capital costs and plans to reduce expenditures through 1996 by $100 million. This will help to ensure that the agency has finances to meet construction and operational objectives in the future.

The DART LRT project is consistent with local transportation goals. It is one part of the area's multi-modal approach to meeting its transportation needs. This project is also consistent with President Clinton's national transportation goals to include rail as part of the country's transportation infrastructure. It is critical to the quality of life for the citizens in our districts, allowing them access to downtown Dallas. We recognize and appreciate the committee's support in the past and we would appreciate the committee's favorable consideration of DART's request for this year.

Mr. Carr. Thank you for being here.

Mr. Mayor.

Mayor Bartlett. Mr. Chairman, it is good to be here with the committee again this year on this side of the table. In the last year since I have been here, the Cowboys have won the Super Bowl—I knew you would be pleased to hear that bit of news—Chairman Carr has shaved his moustache; and two of my colleagues that were in my class when I came to Congress are both now referred to as Mr. Chairman. God, do I feel old, but congratulations. [Laughter.]

Mayor Bartlett. This is the 3rd year of the new start DART has met or exceeded all of the expectations of the original new start under Federal funding. I am here on the 3rd year to detail some of the things that we have accomplished in a rather rapid form in the last year as the construction for DART has really begun to take off and begun to take shape.

I will address my comments on the issues of construction and the long-term and leave operational details to the chairman of the DART board, who is here with me, Kathy Ingle, in the context of questions.

The points I will emphasize will be that we are here to seek the 3rd year of funding that had been scheduled by this subcommittee of $86.5 million in discretionary funding. That is part of the long-range plan. I am here to emphasize that our construction is on time and on budget, and all funding from prior appropriations for the light rail are fully obligated, and those in the Oak Cliff maintenance center and the downtown transit centers are on schedule and will be obligated as had been previously agreed to with the subcommittee.

I am here to remind the subcommittee that this is 20 percent Federal and 80 percent local, and to remind the committee that in Dallas the regional transit system is multimodal including bus, rail, HOV, and other facilities. The request itself is $77.5 million for the South Oak Cliff light rail transit line, as Congresswoman Johnson indicated, plus the 3rd year of the $8.5 million for the bus maintenance facility and training academy.

To emphasize on the light rail, DART has obligated all of the $82.5 million previously appropriated to the light rail line of South Oak Cliff. We have already obligated all of this year's funding. DART will obligate every dollar of today's requested amount for the light rail before the close of fiscal year 1994, early in fiscal year 1994, I believe.

Over the last 12 months, Mr. Chairman, DART has committed $448 million in construction, which is 66 percent of the total project cost. So we spent a lot of time getting up to the line, but now that we are under construction, we are building quite rapidly and on schedule.

These funds for which we are asking appropriations today are fully authorized by ISTEA. This is the second half of the $160 million that was authorized in the 1991 act.

Again, to remind you, we have reversed the more typical Federal/local share so that in this case it is 20 percent Federal and 80 percent local. We have kept our construction schedule and DART, with our committed 1 percent sales tax, has the capacity to finish the project. Rail passengers will be riding on light rail in Dallas by 1996.

In addition to those items, in the last year alone, again on the emphasis that we are in the process of building out something that took some 10 years to plan and prepare for, we have commenced construction on the Pacific/Bryan Transitway Mall in downtown. We have completed half of the Trinity River Bridge construction that started a year ago. We have procured 40 light rail vehicles and electric traction, signal, and communication systems. We have commenced construction of the service and inspection facility.

We have begun and are fully into construction of the 3.5-mile tunnel under North Central Expressway so that North Central automobiles and the light rail will be able to function simultaneously. We have begun construction on the West Oak Cliff line, which is purely locally funded, with the second segment to be under construction by early fiscal year 1994. We will commence construction in the spring of 1994 of the line north of Mockingbird all the way to Park. We have acquired 82 out of the 263 parcels for stations and are in the process of acquiring the additional ones as we speak. We have acquired the 18 miles for the Sante Fe Railroad right-of-way.

That is on the light rail.

On bus, Mr. Chairman, our current fiscal year 1993 operating budget for bus is $136 million. That represents 175,000 riders a day, which is on an increase, in part because of our low fares, as Congresswoman Johnson indicated. We do not use any Federal funds for operating assistance for the bus system. The one critical project, which is a long-term capital improvement for which we asked Federal funding, is the third and final year, $8.5 million, for our bus maintenance facility.

It seems to me that that is the ideal kind of Federal project. It is one that will last for 50 years. It is capital improvements up front and then we on the local level will fund the operation. We have approved the site for the facility and we have hired a design consultant and construction contract will commence in fiscal year 1994 for both. We are putting the maintenance facility in a part of town which is low to moderate income to provide for a job stimulus.

In addition to that, Mr. Chairman, we are a multimodal facility, as you know. We have a high occupancy vehicle lane project. The first is being used. We are using a unique system in the country which we think will be emulated of a moveable barrier system that provides 16,000 daily HOV lane users saving 8 minutes a day in the morning and 3 minutes in the evening. It uses one lane and the barriers are moved in the early morning hours.

This subcommittee also provided bus transfer facility construction acquisition money last year. We have applied for the grant. We believe that will be granted within the next few months. That downtown transfer system—we have selected the site; we are in the real estate appraisal process; and we are in the process of designing those sites to get construction underway.

Mr. Chairman, the other bit of really good news I have for the subcommittee is one I didn't have last year, and that is that we have broken the impasse on our commuter rail. The very first thing that happened to me when I came to Congress in January of

1983 was that then majority leader Jim Wright called me to his office for an announcement that Dallas and Fort Worth had acquired the rail lines, to be known as Railtran, for commuter service between downtown Dallas and downtown Fort Worth. And 10 years later, I was greeted with news that while we had acquired it, we hadn't done anything with it.

The contracts will be signed with the two freight railroads and with DART by April 30, 1993. Commuter rail operation on that line will commence 22 months after that on a fast-track basis.

Mr. Chairman, we are multimodal; we're principally local funds with only 20 percent Federal funds; this is part of a long-term capital improvement agreement that we secured with the Federal Government some 3 years ago; and I appreciate your attention and your courtesy this morning.

[The prepared statement of Mayor Bartlett follows:]

TESTIMONY OF

STEVE BARTLETT

MAYOR, CITY OF DALLAS

ON BEHALF OF THE

DALLAS AREA RAPID TRANSIT AUTHORITY

BEFORE THE

SUBCOMMITTEE ON TRANSPORTATION AND RELATED AGENCIES

COMMITTEE ON APPROPRIATIONS

UNITED STATES HOUSE OF REPRESENTATIVES

MARCH 23, 1993

INTRODUCTION

Good Morning, Mr. Chairman and members of the Subcommittee. My name is Steve Bartlett, and I am the Mayor of the City of Dallas. It is indeed my pleasure to again come before your Subcommittee on behalf of the Dallas Area Rapid Transit Authority.

I am pleased to submit for your consideration the DART FY 1994 Section 3 discretionary funding request of $86 million, $77.5 million of which will be dedicated to the South Oak Cliff Light Rail Transit (SOC LRT) portion of the Starter System and $8.5 million is for the third and final year of funding for the South Oak Cliff Bus Maintenance Facility and Training Academy. Please refer to page 1 of the attached Project Briefing and FY 1994 Earmark Requests for Light Rail Transit and Bus Projects for a comparison of previous appropriations and current requests.

DART has obligated all of the $82.5 million previously appropriated to the LRT project, and will obligate every dollar of this requested amount for the SOC LRT project before the close of FY 1994. The $77.5 million represents the remaining funds necessary to equal the appropriations of $160 million authorized by the Intermodal Surface Transportation Efficiency Act of 1991 . The $160 million total is a 20% Federal share of the $841 million LRT Starter System.

At the time of last year's testimony, DART had just awarded the first SOC LRT construction contract and they were projecting the award of a number of future contracts. I am here to tell you today that DART has fulfilled the promise of substantial construction progress during FY 1992 and the first half of FY 1993. Over the past 12 months, DART has committed **$558 million** to contracts for the LRT Starter System, including:

- Construction contracts awarded for each line section and the Service and Inspection Facility,
- Real estate and the Santa Fe Railroad acquisitions,
- 40 LRT Vehicles are under contract and on order, and
- All LRT Systemwide procurements have been awarded.

Furthermore, DART has kept to the published schedule and has remained within the $841 million budget for the Starter System. For more detail please refer to the "Committed to Date" chart and the "Summary Schedule" in the attached Project Briefing and FY 1994 Earmark Requests for Light Rail Transit and Bus Projects.

DART is a multi-modal transit authority with significant bus capital needs. Though a majority of DART's identified capital needs are funded with FTA Section 9 funds and their 1% sales tax, one critical capital project requires funding beyond the normal sources. DART is seeking $8.5 million as the third and final year of funding for the South Oak Cliff Bus Maintenance Facility and Training Academy, a project that will not only permit DART to maintain their future fleet of alternatively fueled buses, but will enhance its ability to train employees. For more details please refer to page 4 of the attached Project Briefing and FY 1994 Earmark Requests for Light Rail Transit and Bus Projects.

ACCOMPLISHMENTS

I would like to briefly highlight DART's major accomplishments since I spoke to this subcommittee last year.

South Oak Cliff Light Rail Transit Project (Federally Funded)

Through a very cooperative partnership with the Federal Transit Administration (FTA), DART has moved swiftly into construction. DART's staff, working with both the FTA Administrator's office here in Washington and the FTA Regional office in Fort Worth, has:

- Obtained an $160 million Letter of No Prejudice permitting the continuation of construction.
- Commenced construction last month of the Pacific/Bryan Transitway Mall in the Dallas Central Business District,
- Completed more than half of the Trinity River Bridge construction that started a year ago,
- Initiated relocation of high-voltage transmission towers on the SOC-1 line segment,
- Procured LRT vehicles, and traction, signal and communication systems, and,
- Commenced construction of the Service and Inspection Facility.

All, and in fact more, of the $82.5 million previously earmarked has already been obligated through construction contracts, vehicle and systems procurements, and real estate and railroad right-of-way acquisitions. Based on DART's implementation schedule for construction of the final line segments in the SOC LRT project (OC-1, SOC-1 and SOC-2), DART's FY 94 Earmark request for the South Oak Cliff LRT project is **$77.5 million**, all of which **will be obligated** by contract prior to the close of FY 1994

North Central and West Oak Cliff Light Rail Transit Project (Locally Funded)

These two line segments represent extensions to the SOC LRT and are being constructed with receipts from the DART 1% sales taxes. DART:

- Began Construction of an $86.8 million, 3.5 mile twin-bore tunnel under North Central Expressway on February 29, 1992,
- Began construction on the West Oak Cliff line section in August 1992 with the second segment to be under construction in early FY 1994, and,
- Will commence construction in the spring of 1994 of the NC-2 segment between Mockingbird and Park Lane.

Disadvantaged/Minority/Women Business Enterprise Goals and Commitments for the LRT Starter System

DART has made very significant progress in fulfilling a commitment to maximize the opportunities for D/M/WBE to compete for LRT design and construction contracts. In 14 out of 15 cases, the goals established by DART have been met or exceeded. For further details please refer to the graph entitled "D/M/WBE Goals and Commitments to Date" in the attached Project Briefing and FY 1994 Earmark Requests for Light Rail Transit and Bus Projects.

South Oak Cliff Bus Maintenance Facility and Training Academy

In anticipation of the remaining funds for the South Oak Cliff Bus Maintenance Facility and Training Academy, DART has made positive steps toward implementation of this vital project. DART recently approved the site for the facility and has authorized the hiring of a design consultant. DART will be able to award a construction contract in FY 1994 utilizing the total of $24 million in Section 3 Bus funds. I might also add that this project has the support of the Dallas City Council and will provide an economic stimulus to South Oak Cliff.

Other Mobility Projects

DART's highly successful HOV project on I-30, using the innovative moveable barrier system, has resulted in mobility benefits to both the HOV lane users and single-occupant users on the main lanes. The project affords the 16,000 daily HOV lane users a predictable travel time, consistently shorter than can be accomplished on the main lanes.

Following the specific earmark approved by the Conference Committee last year, DART has applied for a grant for the two Dallas CBD Bus Transfer Facilities. This project is vital for DART patrons, the City of Dallas and the downtown business community. The facilities will improve traffic congestion downtown, enhance bus transfers and increase the efficiency of the overall system. I commend the Subcommittee for the support of this project during the Conference Committee.

CONCLUSION

The cooperative efforts of DART, the City of Dallas, and the Federal government continue to improve transit in this region. This Subcommittee's decisions over the past three years to participate in these projects created positive momentum for DART. I urge your endorsement of DART's FY 1994 funding requests in order to keep this momentum we collectively have gained. DART is building now for the future of the region.

DALLAS AREA RAPID TRANSIT

Project Briefing
and
FY 1994 Earmark Request for
Light Rail Transit and Bus Projects

March 1993

DART Earmark Requests for Inclusion in FY 1994 Transportation Appropriations Bill

Appropriation Recommendations
(in Millions)

	Prior	FY94 Request
SOC Light Rail Transit Project (Fourth Year of Funding)	$82.5	**$77.5**
SOC Bus Maintenance Facility and Training Academy (Final Year of Funding)	$15.5	**$8.5**

Light Rail Transit Starter System: South and West Oak Cliff, and North Central Corridors, and Dallas Central Business District

Light Rail Transit Starter System is 20 miles (with 21 stations) of the overall 66-mile DART Light Rail Transit System (See map).

The LRT Starter System will open in 1996.

Capital cost of the Starter System is $841 million in escalated dollars.

66% of the LRT Starter System has been committed by contract as of February 23, 1993.

FY 1994 Earmark request for South Oak Cliff LRT is $77.5 million.

Contractual Commitments (in millions) for Design and Construction of the LRT Starter System:

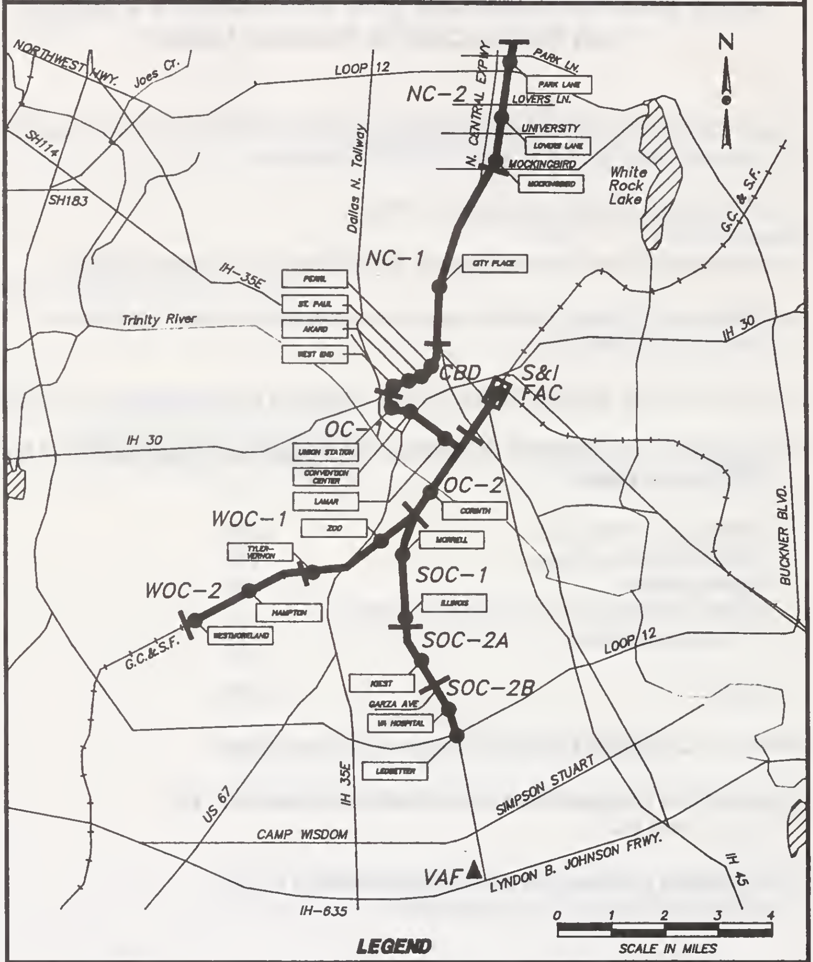
Design & Construction	$309
Vehicles and Systems	167
Right-of-Way	47
Other (Management, Insurance, Testing, Track Materials)	35
Total	$558

Refer to "Committed To Date" chart on the next page.

Construction Contracts to be Awarded by September 1993
SOC-1 and OC-1

Construction Contracts to be Awarded during FY 1994
SOC-2A, SOC-2B, NC-2 AND WOC-2

LRT STARTER SYSTEM



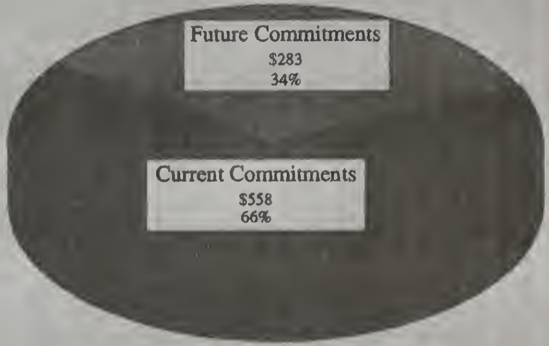
LEGEND

KEY	DESCRIPTION	STATUS	KEY	DESCRIPTION	STATUS
NC-2	North Central Section 2	BID EARLY 1994	WOC-1	West Oak Cliff Section 1	UNDER CONSTRUCTION
NC-1	North Central Section 1 (Mined Tunnels)	UNDER CONSTRUCTION	WOC-2	West Oak Cliff Section 2	BID LATE 1993
S&I FAC	Service & Inspection Facility	UNDER CONSTRUCTION	SOC-1	South Oak Cliff Section 1	BID LATE 1993
OC-1	Oak Cliff Section 1	BID LATE 1993	SOC-2A	South Oak Cliff Section 2A	BID LATE 1993
OC-2	Oak Cliff Section 2	UNDER CONSTRUCTION	SOC-2B	South Oak Cliff Section 2B	BID LATE 1994
CBD	Central Business District	UNDER CONSTRUCTION	VAF	Vehicle Assembly Facility	TO BE DETERMINED
			●	Station Site	
			▬	UNDER CONSTRUCTION	

Rev. 4A MILES DECEMBER 31, 1992

LRT STARTER SYSTEM

COMMITTED TO DATE
(in millions)



Total Budget = $841 million

February 28, 1993

CBD/South Oak Cliff Line:

- 54% of construction and land costs supported by FTA Section 3 funds
- From Ledbetter Drive (Loop 12) through Dallas CBD
- $160 million authorized by ISTEA
- Surface light rail transit
- Utilizes former railroad right-of-way, electric utility corridors, and street rights-of-way
- Transit mall along Pacific and Bryan Streets is under construction
- LRT bridge across Trinity River is under construction

North Central Line:

- Locally funded with 100% DART sales tax receipts
- From Dallas CBD to Park Lane
- At surface in former railroad right-of-way from Park Lane to Mockingbird Lane
- Tunnel under North Central Expressway from Mockingbird Lane to CBD
- Boring of the twin tunnels is underway

West Oak Cliff Line:

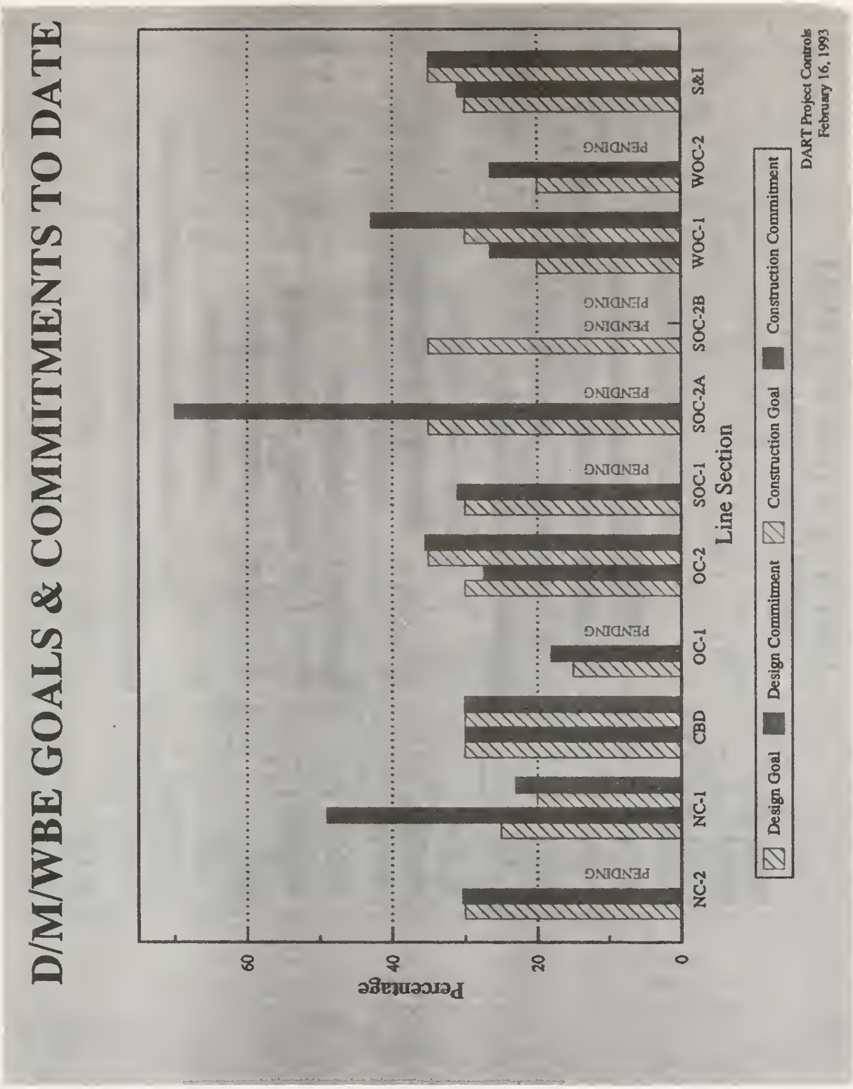
- Locally funded with 100% DART sales tax receipts
- From Westmoreland Road to junction with South Oak Cliff Line
- Surface running in former railroad right-of-way
- West Oak Cliff - 1 section is under construction

Systemwide Procurements:

- Service & Inspection Facility is under construction
- 40 LRT Vehicles under contract and on order
- Traction Electrification contract awarded
- Communication contract awarded
- Signal contract awarded
- Track material contracts all awarded

The following chart highlights the D/M/WBE Goals and Commitments To Date for the LRT Starter System Design and Construction contracts.

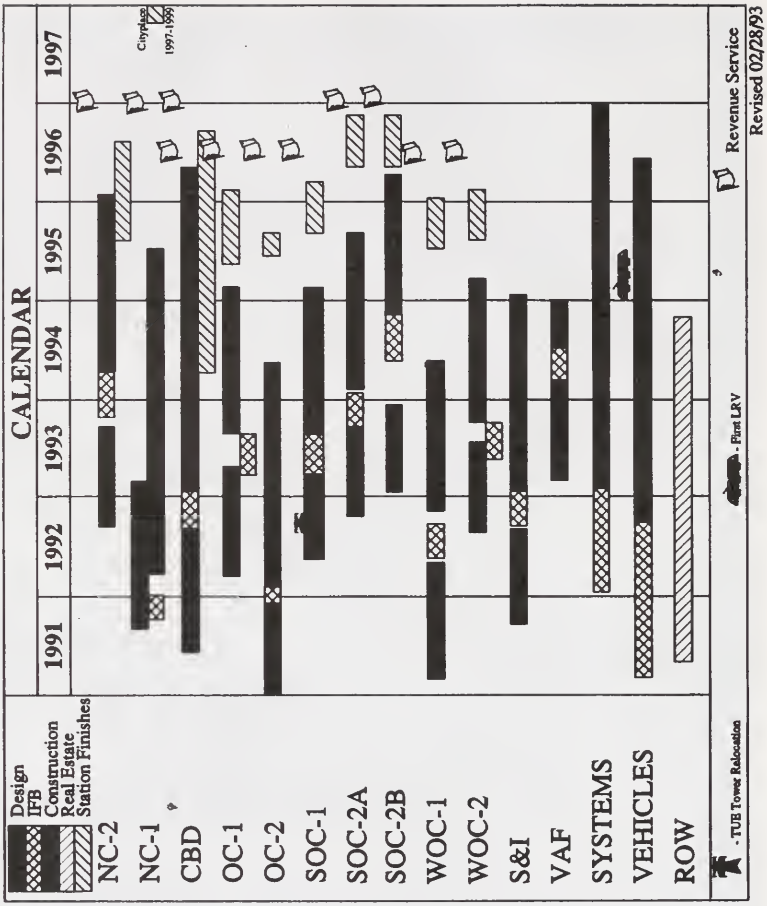
Refer to Summary Schedule and Six Month Look Ahead on following pages.



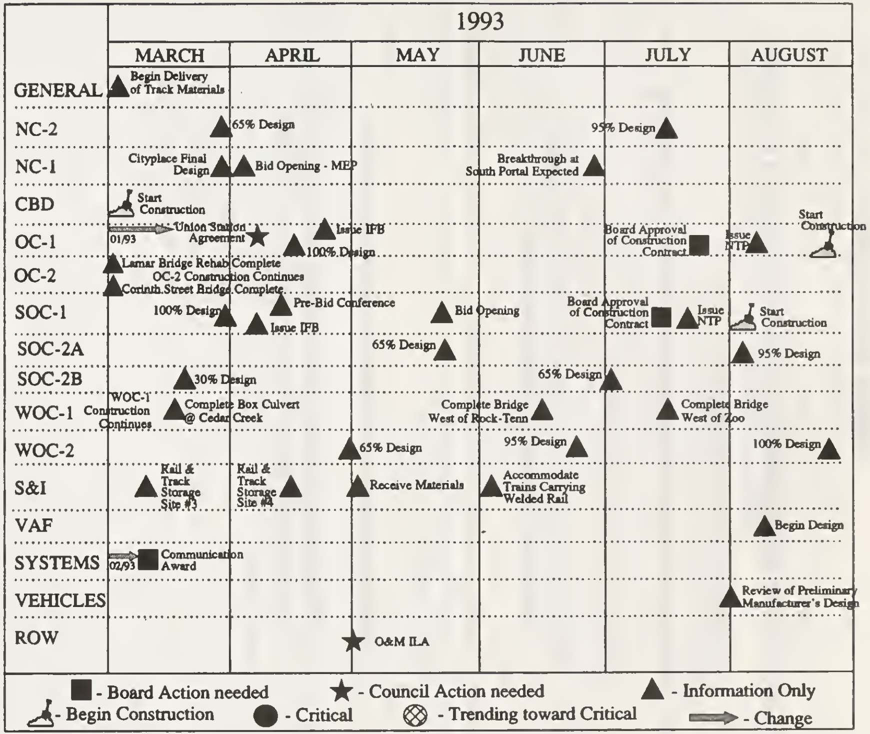
D/M/WBE GOALS & COMMITMENTS TO DATE

DART Project Controls
February 16, 1993

LRT STARTER SYSTEM
SUMMARY SCHEDULE



LRT - SIX MONTH LOOK AHEAD



	MARCH 1993	APRIL	MAY	JUNE	JULY	AUGUST
GENERAL	▲ Begin Delivery of Track Materials					
NC-2	▲ 65% Design				95% Design ▲	
NC-1	Cityplace Final Design ▲	▲ Bid Opening - MEP		Breakthrough at South Portal Expected ▲		
CBD	Start Construction					
OC-1	01/93 → Union Station Agreement	★ ▲ 100% Design ▲ Issue IFB			Board Approval of Construction Contract ■	Issue NTP ▲ Start Construction
OC-2	▲ Lamar Bridge Rehab Complete OC-2 Construction Continues ▲ Corinth Street Bridge Complete					
SOC-1	100% Design ▲	▲ Pre-Bid Conference ▲ Issue IFB	▲ Bid Opening		Board Approval of Construction Contract ■ ▲ Issue NTP	Start Construction
SOC-2A			65% Design ▲			▲ 95% Design
SOC-2B	▲ 30% Design				65% Design ▲	
WOC-1	WOC-1 Construction Continues ▲ Complete Box Culvert @ Cedar Creek			Complete Bridge West of Rock-Tenn ▲	▲ Complete Bridge West of Zoo	
WOC-2			▲ 65% Design	95% Design ▲		100% Design ▲
S&I	▲ Rail & Track Storage Site #3	Rail & Track Storage Site #4 ▲	▲ Receive Materials	▲ Accommodate Trains Carrying Welded Rail		
VAF						▲ Begin Design
SYSTEMS	02/93 → ■ Communication Award					
VEHICLES						▲ Review of Preliminary Manufacturer's Design
ROW			★ O&M ILA			

■ - Board Action needed ★ - Council Action needed ▲ - Information Only
- Begin Construction ● - Critical ⊗ - Trending toward Critical → - Change

Revised 02/28/93

DART Bus Project

South Oak Cliff Bus Maintenance Facility and Training Academy

- $30 million Bus Maintenance Facility
- Replaces leased facility and consolidates operations
- Accommodates 250 buses
- Includes provision for fueling and maintaining the growing DART Natural Gas fleet of buses and vans
- Training Academy to serve both bus and rail training needs
- Site selection complete
- Initiating procurement of firm to design this facility
- FY 1994 Earmark request is $8.5 million, which represents the final allocation of $24 million committed in FY 1992

Mr. Carr. Thank you very much, Mayor.

Ms. Ingle, do you have a couple words for us?

Ms. Ingle. I would like to give you a few brief words. I would like to thank you for your attention this morning and your kindness in having us come forward with our request.

I would also like to thank the members of our delegation, to include John Bryant. We are proud of the fact that this year we are coming as a region united with our delegation firmly behind us in our request. They have been very supportive of us in that.

I would also like to introduce to you Victor Burke. Victor Burke is our new general manager. He received his contract last year. Victor is responsible for the day-to-day operations of DART, including construction and operations of the existing bus fleet. He is capable, dedicated, and brings an enthusiasm to the region which those of you with years of experience in Government can appreciate. Enthusiasm is a commodity that is sometimes short in a stressful environment.

I am sure you will welcome with me and wish Vic all of the success that we can possible have in DART and in our Dallas area for regional mobility.

As Mayor Bartlett did, I would like to emphasize that we have committed to date every dollar that has been received, plus those earmarked but not received from the Federal Government in construction of our LRT system. In fact, we have committed about $10 million or $11 million more than earmarked at this point in time.

We are on time. Scheduled opening for passenger service is the latter half of 1996. We will open to the tune of about 40,000 passengers a day. We are projected to go to 50,000 passengers by the year 2000. This will require us to restructure our bus network in order to speed that light rail line. We are in the process of that planning. It will remake the look of bus service in Dallas to support it.

We are on budget. We have an $841 million budget for the 20 miles of light rail. We are to date on and in fact under budget. We don't expect that to hold true to the end of the project, but if we could come in very close to this number, I think we will be very pleased and proud of our staff and their effort on our behalf.

And we do have the ability, as well as the necessity, to commit every dollar that we are earmarked for in fiscal year 1994 during that calendar year.

We are ready to build. We are building. Some of you have been in Dallas. You will be amazed at where we stand today in the amount of on-the-ground visible progress on our light rail system.

We would respectfully request your consideration and we will be available to answer any questions you might have.

[The prepared statement of Kathy Ingle follows:]

TESTIMONY OF

KATHY INGLE

CHAIR OF THE BOARD OF DIRECTORS

DALLAS AREA RAPID TRANSIT AUTHORITY

BEFORE THE

SUBCOMMITTEE ON TRANSPORTATION AND RELATED AGENCIES

COMMITTEE ON APPROPRIATIONS

UNITED STATES HOUSE OF REPRESENTATIVES

MARCH 23, 1993

INTRODUCTION

Good Morning, Mr. Chairman and members of the Subcommittee. My name is Kathy Ingle, Chair of the Dallas Area Rapid Transit Authority Board of Directors. It is indeed my pleasure to present this written testimony to the Subcommittee on behalf of the citizens of our service area and the Board of Directors.

FUNDING REQUEST

I am pleased to present our FY 1994 Section 3 discretionary funding request for $86 million, $77.5 million of which will be dedicated to the South Oak Cliff Light Rail Transit (SOC LRT) portion of the Starter System and $8.5 million to be the third and final year of funding for the South Oak Cliff Bus Maintenance Facility and Training Academy. Page 1 of the attached Project Briefing and FY 1994 Earmark Requests for Light Rail Transit and Bus Projects contains details on previous appropriations.

DART has obligated all of the $82.5 million previously appropriated to the SOC LRT project, and we will obligate every dollar of today's requested amount for the project before the close of FY 1994. The $77.5 million represents the remaining funds necessary to bring the appropriations equal to the $160 million authorized by the Intermodal Surface Transportation Efficiency Act of 1991.

DART is providing extra leverage for the Federal funds received. DART has reversed the traditional Federal/Local share by providing 80% ($681 million) of the LRT Starter System cost of $841 million from local sources, namely our one-percent sales tax dedicated to transit. The $160 million in Federal funds represent the remaining 20% share. Not only does the dedicated sales tax give us the financial capacity to construct this LRT, but it provides the financial capability to operate and maintain the LRT system, as well as our bus and van services.

Last year at this time, DART had just awarded the first SOC LRT construction contract and we were projecting the award of a number of future contracts. I can tell you today that we have fulfilled the promise of substantial construction progress during FY 1992 and the first half of FY 1993. In fact, over the past 12 months, DART has committed **$558 million**, or 66% of the total project cost, to contracts for the LRT Starter System, including:

- Construction contracts awarded for each of the five line sections and the Service and Inspection Facility,
- Acquisition of 82 of 263 real estate parcels for stations, parking and line sections,
- Acquisition of 18.1 miles of the Santa Fe Railroad,

- 40 LRT Vehicles under contract and on order, and
- All LRT electrification, signal, communication and track material procurements have been awarded.

Furthermore, DART has kept to the published schedule and has remained within the $841 million budget for the Starter System. For more information, please refer to the "Committed to Date" chart and the "Summary Schedule" in the attached Project Briefing and FY 1994 Earmark Requests for Light Rail Transit and Bus Projects.

For those Members that have not had an opportunity to visit Dallas, I invite you to come and tour our multi-modal transit system. We operate 864 buses, as well as 138 vans for paratransit, demand responsive and fixed route services. Our current FY 1993 operating budget is $136.2 million, all funded with passenger fares and sales tax receipts. DART does not utilize any Federal operating assistance.

We are also a transit authority with significant bus capital needs. Though a majority of our identified capital needs, amounting to $63 million in FY 1993, are funded with FTA Section 9 funds and our 1% sales tax, we have identified one critical capital project which will require funding beyond the normal sources. DART is seeking $8.5 million for the third and final year of funding for the South Oak Cliff Bus Maintenance Facility and Training Academy. This project will permit DART to maintain our future fleet of alternatively fueled buses, helping to meet Federal energy and environmental goals. In addition, we will enhance our ability to effectively train our employees. For additional information please refer to page 4 of the attached Project Briefing and FY 1994 Earmark Requests for Light Rail Transit and Bus Projects.

ACCOMPLISHMENTS

I would like to briefly highlight DART's major accomplishments since we appeared before this Subcommittee last year.

South Oak Cliff Light Rail Transit Project (Federally Funded)

Through a very cooperative partnership with the Federal Transit Administration (FTA), DART has moved swiftly into construction. DART's staff, working with both the FTA Administrator's office here in Washington and the FTA Regional office in Fort Worth, has:

- Obtained an $160 million Letter of No Prejudice permitting the commencement and continuation of construction.
- Commenced construction last month of the Pacific/Bryan Transitway Mall in the Dallas Central Business District,

- Completed more than half of the Trinity River Bridge construction that started a year ago,
- Completed relocation of high-voltage transmission towers on the SOC-1 line segment,
- Procured LRT vehicles, and electric traction, signal and communication systems, and,
- Commenced construction of the Service and Inspection Facility.

All of the $82.5 million previously earmarked has already been obligated through the previously mentioned contracts. In fact, the Federal share of the $558 million of commitments to date amounts to $91.5 million. By the close of FY 1993, we estimate this amount to exceed $120 million with the award of two construction contracts and the continued acquisition of real estate. DART is funding, with local sources, the $37.5 million difference between our commitments and prior appropriated funds.

Based on our implementation schedule for construction of the final line segments in the SOC LRT project (OC-1, SOC-1 and SOC-2), DART **will obligate** the entire FY 1994 Earmark request of **$77.5 million** prior to the close of FY 1994.

North Central and West Oak Cliff Light Rail Transit Project (Locally Funded)

These two line segments represent extensions to the SOC LRT and are being constructed with receipts from the DART 1% sales taxes. With this dedicated funding source, over the past year DART:

- Began construction of an $86.8 million, 3.5 mile twin-bore tunnel under North Central Expressway on February 29, 1992, and has bored more than a mile of the southbound tunnel,
- Began construction on the West Oak Cliff line section in August 1992, with the second segment to be under construction in early FY 1994, and,
- Will commence construction, in the spring of 1994, of the NC-2 segment between Mockingbird and Park Lane.

Disadvantaged/Minority/Women Business Enterprise Goals and Commitments

DART has made very significant progress in fulfilling a commitment to maximize the opportunities for Disadvantaged/Minority/Women Business Enterprises (D/M/WBE) to compete for LRT design and construction contracts. In 14 out of 15 cases to date, the goals established by DART have been met or exceeded by the perspective contractors. This is graphically depicted by the figure entitled "D/M/WBE Goals and Commitments to Date" in the attached Project Briefing and FY 1994 Earmark Requests for Light Rail Transit and Bus Projects.

DART's overall procurement program has shown significant increases in the contract amount awarded to M/WBE. In FY 1990, $10.2 million in contracts/subcontracts were awarded to M/WBE, increasing to $19 million in FY 1991 and $54.4 million in FY 1992. Through March 9, 1993, DART has awarded $132.95 million in contracts, $31 million of that amount to M/WBE.

South Oak Cliff Bus Maintenance Facility and Training Academy

In anticipation of the remaining funds for the South Oak Cliff Bus Maintenance Facility and Training Academy, DART has made positive steps toward implementation of this vital project. The DART Board of Directors recently approved the site for the facility and has authorized the hiring of a design consultant. DART will award a construction contract in FY 1994 utilizing the total of $24 million in Section 3 Bus funds. This project will provide an economic stimulus to South Oak Cliff both during construction and when it becomes operational.

High Occupancy Vehicle Lane Projects

DART's highly successful HOV project on I-30, using the innovative moveable barrier system, has resulted in mobility benefits to both the HOV lane users and single-occupant users on the main lanes. The project affords the 16,000 daily HOV lane users a predictable travel time consistently shorter than can be accomplished on the main lanes. HOV users generally are saving 8 minutes during the morning peak hour and 3 minutes in the evening over travel times on the main lanes prior to implementation of the HOV lane. The $14.6 million cost of this project was shared by TxDOT and DART. Section 9 formula funds in the amount of $2.7 million were used to supplement $2.9 million of DART local funds.

HOV lane projects evaluated for inclusion in the FY 1993 Transportation Improvement Program of the North Central Texas Council of Governments, the MPO for the region, ranked at the top of the list of eligible projects. $67.4 million in Congestion Mitigation/Air Quality (CMAQ) and matching TxDOT funds were allocated to 10 HOV lane construction projects. The Board of Directors recently increased DART's commitment to HOV lane funding from 10 to 16.7 percent of the total project costs, thereby matching the TxDOT share.

DART and the Texas Department of Transportation received an Award of Merit from the U. S. Department of Transportation for the I-30 HOV project. The award, for excellence in highway design, recognizes projects because they "strongly advocate excellence in planning, design, and development of safe, functional and environmentally sensitive projects".

Dallas Central Business District Bus Transfer Facilities

DART has applied for a FTA grant for the two Dallas CBD Bus Transfer Facilities that were part of the FY 1993 transportation appropriations. This project is vital for our DART patrons, the City of Dallas and the downtown business community. We are currently in the real estate appraisal process. Upon grant approval, we will immediately commence design of these facilities.

Commuter Rail Project

We are actively advancing our project to provide commuter rail service between Dallas and Irving, with a future extension to Fort Worth. Progress has recently been made between RAILTRAN, the managers of this rail corridor, and the operating railroads and should result in signed agreements by April 30, 1993. An interlocal agreement between DART, the Ft. Worth Transportation Authority and RAILTRAN, under simultaneous negotiation, should be ready for Board approval by June 1. Commuter rail operation can begin within 22 months of the execution of these agreements. Due to progress being made in the railroad negotiations, DART procurement efforts for the vehicles, previously on hold, have been reinitiated.

North Central Corridor Alternatives Analysis/Draft Environmental Impact Statement

DART has received approval from FTA to initiate a second Alternatives Analysis/Draft Environmental Impact Statement. DART will analyze alternatives in the North Central Corridor from Park Lane, the terminus of the LRT Starter System, northward to the City of Plano. This extension is the planned next phase of the eventual 66-mile LRT system.

DART has completed the Scoping Process. The Board recently approved a list of alternatives for further evaluation. The Board is scheduled to approve a Locally Preferred Alternative by the end of 1993. We will then initiate the Final Environmental Impact Statement process.

DART Paratransit Services

DART's Paratransit services include HandiRides for our physically challenged patrons as well as DARTAbout demand responsive van service. The FY 1993 Paratransit budget is $12.5 million with a projected ridership of 875,000. To accommodate demand for service, DART is expanding the fleet of alternatively fueled vans to 198 by the end of FY 1993. Service has been improved with the recent activation of the 900 MHz radio and automatic vehicle locator systems, the upgrade of the automated scheduling system and the consolidation of the dispatch function in the DART Communication Center.

The FY 1992 DART ADA Plan was one of the first plans in the country to be approved. We have recently submitted our required FY 1993 update to FTA.

CONCLUSION

The cooperative efforts of DART, the City of Dallas, our suburban member cities and the Federal government continue to improve public transit and mobility in this region. This Subcommittee's decisions over the past three years to participate in these projects created positive momentum for DART. I urge your endorsement of DART's FY 1994 funding requests in order to sustain this momentum we have collectively gained. DART is building the key mobility components **now** to underpin the transportation and economic future of the region.

DALLAS AREA RAPID TRANSIT

Project Briefing
and
FY 1994 Earmark Request for Light Rail Transit and Bus Projects

March 1993

DART Earmark Requests for Inclusion in FY 1994 Transportation Appropriations Bill

Appropriation Recommendations (in Millions)

	Prior	FY94 Request
SOC Light Rail Transit Project (Fourth Year of Funding)	$82.5	**$77.5**
SOC Bus Maintenance Facility and Training Academy (Final Year of Funding)	$15.5	**$8.5**

Light Rail Transit Starter System: South and West Oak Cliff, and North Central Corridors, and Dallas Central Business District

Light Rail Transit Starter System is 20 miles (with 21 stations) of the overall 66-mile DART Light Rail Transit System (See map).

The LRT Starter System will open in 1996.

Capital cost of the Starter System is $841 million in escalated dollars.

66% of the LRT Starter System has been committed by contract as of February 23, 1993.

FY 1994 Earmark request for South Oak Cliff LRT is $77.5 million.

Contractual Commitments (in millions) for Design and Construction of the LRT Starter System:

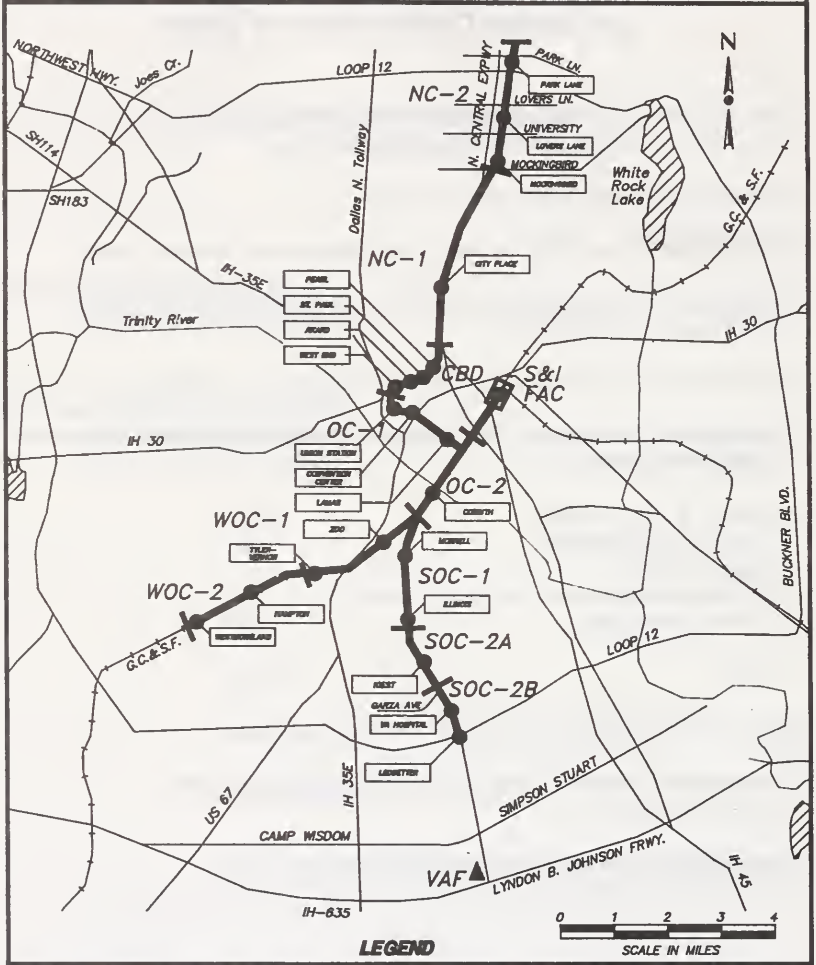
Design & Construction	$309
Vehicles and Systems	167
Right-of-Way	47
Other (Management, Insurance, Testing, Track Materials)	35
Total	$558

Refer to "Committed To Date" chart on the next page.

Construction Contracts to be Awarded by September 1993
SOC-1 and OC-1

Construction Contracts to be Awarded during FY 1994
SOC-2A, SOC-2B, NC-2 AND WOC-2

LRT STARTER SYSTEM



LEGEND

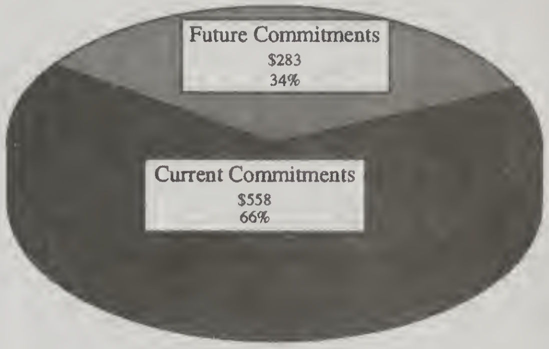
KEY	DESCRIPTION	STATUS
NC-2	North Central Section 2	BID EARLY 1994
NC-1	North Central Section 1 (Mined Tunnels)	UNDER CONSTRUCTION
S&I FAC	Service & Inspection Facility	UNDER CONSTRUCTION
OC-1	Oak Cliff Section 1	BID LATE 1993
OC-2	Oak Cliff Section 2	UNDER CONSTRUCTION
CBD	Central Business District	UNDER CONSTRUCTION

KEY	DESCRIPTION	STATUS
WOC-1	West Oak Cliff Section 1	UNDER CONSTRUCTION
WOC-2	West Oak Cliff Section 2	BID LATE 1993
SOC-1	South Oak Cliff Section 1	BID LATE 1993
SOC-2A	South Oak Cliff Section 2A	BID LATE 1993
SOC-2B	South Oak Cliff Section 2B	BID LATE 1994
VAF	Vehicle Assembly Facility	TO BE DETERMINED
●	Station Site	
▬	UNDER CONSTRUCTION	

Rev: 4A MILES DECEMBER 31, 1992

LRT STARTER SYSTEM

COMMITTED TO DATE
(in millions)



Total Budget = $841 million

February 28, 1993

CBD/South Oak Cliff Line:

- 54% of construction and land costs supported by FTA Section 3 funds
- From Ledbetter Drive (Loop 12) through Dallas CBD
- $160 million authorized by ISTEA
- Surface light rail transit
- Utilizes former railroad right-of-way, electric utility corridors, and street rights-of-way
- Transit mall along Pacific and Bryan Streets is under construction
- LRT bridge across Trinity River is under construction

North Central Line:

- Locally funded with 100% DART sales tax receipts
- From Dallas CBD to Park Lane
- At surface in former railroad right-of-way from Park Lane to Mockingbird Lane
- Tunnel under North Central Expressway from Mockingbird Lane to CBD
- Boring of the twin tunnels is underway

West Oak Cliff Line:

- Locally funded with 100% DART sales tax receipts
- From Westmoreland Road to junction with South Oak Cliff Line
- Surface running in former railroad right-of-way
- West Oak Cliff - 1 section is under construction

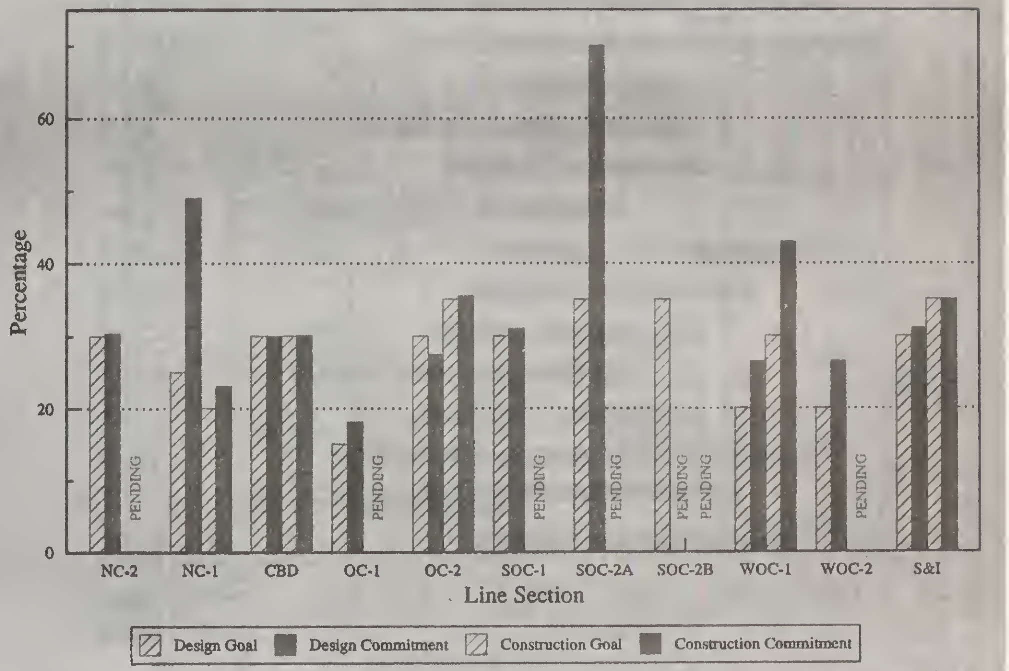
Systemwide Procurements:

- Service & Inspection Facility is under construction
- 40 LRT Vehicles under contract and on order
- Traction Electrification contract awarded
- Communication contract awarded
- Signal contract awarded
- Track material contracts all awarded

The following chart highlights the D/M/WBE Goals and Commitments To Date for the LRT Starter System Design and Construction contracts.

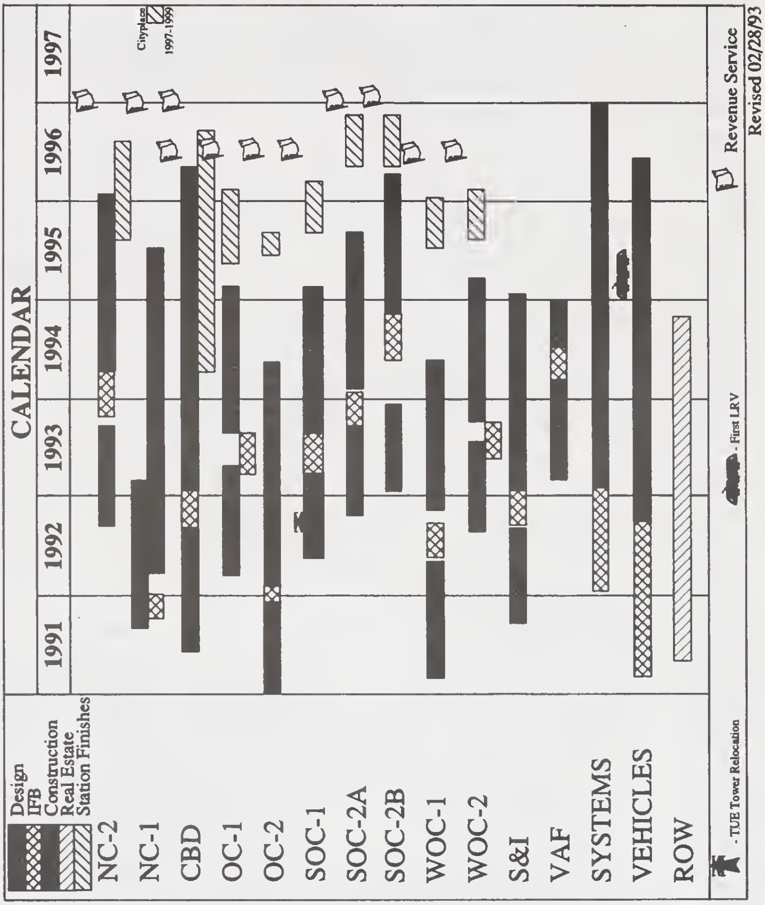
Refer to Summary Schedule and Six Month Look Ahead on following pages.

D/M/WBE GOALS & COMMITMENTS TO DATE

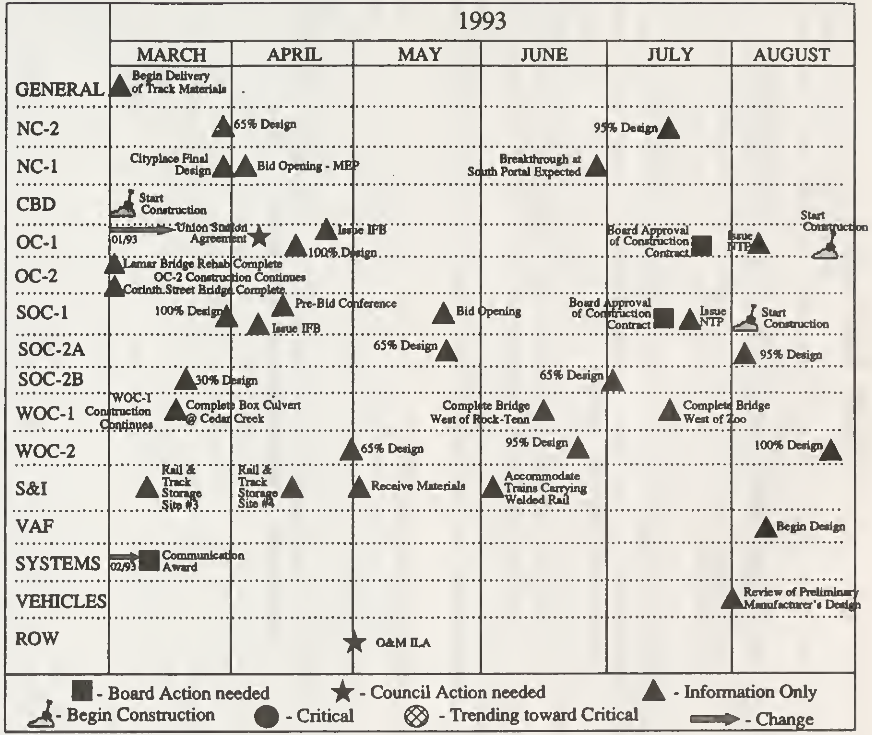


DART Project Controls
February 16, 1993

LRT STARTER SYSTEM
SUMMARY SCHEDULE



LRT - SIX MONTH LOOK AHEAD



Revised 02/28/93

DART Bus Project

South Oak Cliff Bus Maintenance Facility and Training Academy

- $30 million Bus Maintenance Facility
- Replaces leased facility and consolidates operations
- Accommodates 250 buses
- Includes provision for fueling and maintaining the growing DART Natural Gas fleet of buses and vans
- Training Academy to serve both bus and rail training needs
- Site selection complete
- Initiating procurement of firm to design this facility
- FY 1994 Earmark request is $8.5 million, which represents the final allocation of $24 million committed in FY 1992

Mr. Carr. Thank you, Ms. Ingle. It's a delight to have you here. I do have a few questions.

Where does the Dallas area stand in terms of air quality? Are you an attainment area or a non-attainment area?

Mayor Bartlett. It is my understanding, Mr. Chairman, that we are in the moderate attainment area. We have submitted our SIP to the State. I believe that we qualify.

The city of Dallas, this last fall, undertook an effort to go further than the SIP in attempting to convert large numbers of first fleets and eventually private automobiles to natural gas conversion. Both the county and DART are in the process of their conversion.

We have converted some of our civilian—we are testing natural gas automobiles currently for the police fleet.

Our approach in Dallas for natural gas is not to concentrate on the fleets per se, but to use the fleets as a way of establishing in the marketplace natural gas service stations so that private automobile users can use the fleet.

So we are in a moderate attainment and we are pushing ahead on that. The new emphasis is on natural gas automobiles.

Ms. Ingle. If I could add a comment to that, DART is in a little bit different position from the city in that there is a State mandate for conversion of the fleet to alternative fuels. The State timing is more critical and harsher than is the Federal. We have benchmark years in which we have to have percentages of our fleet converted.

Part of our request for the $8.5 million for the South Oak Cliff bus maintenance facility is to include construction of alternative fueling capacity to facilitate our changeover to the new fuels. These facilities will cost us a couple million dollars. We do not want to put those into a leased space out of which we are currently operating.

Also, we have some funds that we are funneling into HOVs, through Congestion and Air Mitigation Act, to help us comply in our area. Unlike other areas of Texas, the problem with our air is mostly from auto transmission and not from industry. So our HOV lanes, in combination with the conversion of our fleet, are designed to aid in that.

Mr. Carr. While you are talking about the HOV lanes, your movable barrier system is indeed impressive. I saw it in operation and I have encouraged other communities to talk to you about it. I hope some of them have because I think that that really improves mobility with the least added investment cost. To be sure, some communities that are planning freeway construction today could probably make an even better moveable barrier system because they could build it into their planning, even though they didn't implement it. I think you took an existing freeway, if I am not mistaken, to upgrade to the moveable barrier system.

Are there any plans to extend your moveable barrier system?

Mayor Bartlett. I will let Victor answer on the extension of the existing one.

I will say that on each of our other freeways, a moveable barrier system is now a part of our planning. We are very pleased with it. Contrary to all predictions, it hasn't suffered any major breakdowns. There was one minor breakdown at 2:00 in the morning. It has been very successful and we have had a number of other cities come to look at it. We haven't tried to put a patent on it. We haven't figured out how to, otherwise we would have done. We are willing to share it and are sharing it with others.

We have three other freeway systems that we're looking at for the same kind of use. In the State Legislature, we are currently considering a way to use DART funds for HOV and other kinds of automobile-related improvements. We can use it for HOV currently, but we want to make sure that we have full flexibility in the future.

Mr. Carr. Do you have an estimate of the total cost of the moveable barrier system?

Ms. Ingle. It was a joint DART and TexDOT project and it was about $12.5 million in capital costs. Then our operating expenses are running us about $500,000 per year.

Mr. Carr. And that is for two machines?

Ms. Ingle. That's right.

Mr. Carr. What is the cost of one of those machines?

Ms. Ingle. $400,000.

Mr. Carr. And then you have the barriers themselves, which have to be a little more expensive than a conventional barrier. How much are they a mile?

Mr. Purcell. I am Tip Purcell, DART staff.

It was about 8.8 miles and two barrier machines, about 13,000 sections of barriers, about 3 feet long, and they included several variable message signs, a lot of signage for crossovers, and modification to the existing freeway and it was about $12.5 million. So about $1.5 million per mile or so.

Mr. Carr. Given that it is in an intensely urban area, being able to do something that gives that kind of capacity at $1.5 million per mile is really very tremendous.

It would be helpful to this committee if you would at some point—and I know your staff is real busy, but if you could put together a document that would be a before and after look with some statistics.

How long have you operated this system?

Ms. Ingle. About a year and a half.

Mr. Carr. That's probably enough time to give you some operating experience with it now so that you could really advance the state of knowledge if you did a before and after look and get that information to the committee. I think we are going to be encouraging other communities to take a look at this alternative before they go to the fancy systems.

What is the situation with IVHS in the Dallas area?

Ms. Ingle. We have no funds committed for it at this point. It is under study. TexDOT and the county are sponsoring a seminar on it later in April in which we are participating. DART is looking at it. We have some staff time committed to it, but we have no funds committed to it at this point.

Mr. Carr. I must encourage you to look aggressively at it, and I must also encourage you to adjust your ridership forecasts to include the eventuality of IVHS. It will be in Dallas, it is just a matter of time. But we're also looking at ridership figures, which may be materially impacted by the installation of an IVHS system.

We would like you to take a look at that and give us some information.

Ms. INGLE. Our metropolitan planning organization has begun a new look at all the traffic travel patterns and demands and what modes will best fill those as an update that they plan to have done by October. We are going to join hands with them in that. I think it will be an integral part of it. So we're just dipping our toe in the water right now.

Mr. CARR. One of the things we have discussed privately and publicly is that there are going to be additional criteria. Dallas has done very well in having an overmatch, very well in having a dedicated source of operating revenue, and very well in having an overall consensus in the area. I think you get very, very high marks. We're going to begin to add some more criteria and a little more to work with you. I have no doubt that you will be able to meet those criteria, but among them is the impact of IVHS.

It is a reality. It is coming. It is going to come faster than a lot of people had originally thought. It will pay some fairly significant dividends in mobility, but they will also materially impact on ridership forecasts, which I don't believe adequately take it into account.

Are you taking any section 9 money for your 80 percent?

Ms. INGLE. No.

Mr. CARR. You hit another criteria. We don't look kindly to communities that try to take section 9 money and call it a local match.

The cars are under contract. You have 40 some cars under contract? Who is the contract with?

Mayor BARTLETT. Kinki Sharo of Osaka with a Boston subsidiary.

Mr. CARR. Where will they be built?

Mayor BARTLETT. In Dallas in the southern sector. The site hasn't been selected, but the only sites that Kinki and the city have discussed—the city can discuss it. DART is a little antsy about telling the contractor where to build them, but the city is not. We discussed a number of sites with Kinki Sharo. They have been to town looking for local contractors. All the sites they have looked at have been in the southern sector, which is in the part of town that has some severe unemployment problems and needs the jobs.

Mr. CARR. Was building the cars in Dallas a condition of the contract?

Mayor BARTLETT. We tried, but we couldn't do it.

Mr. CARR. I have talked to Congresswoman Johnson and Congressman Frost in the past. This committee takes a dim view of any community that tries to force as a condition of contract that cars be manufactured in a particular place. We're all for Buy America if that is what it turns out to be, but we're not into financing Buy Dallas or Buy Saint Louis.

We want cars at the lowest possible cost. That means that industry has to be left free to build these cars where it makes economic sense to them. This committee is going to hold fast on trying to finance the best most cost-effective transportation infrastructure. We do not look at what we do here as a jobs program.

With that admonition——

Mayor BARTLETT. Mr. Chairman, we abided by that. As you recall, we had conversations with the subcommittee and the FTA. Both you and the Executive Branch held firm, and we abided by it. It was a clean contract that was competitively bid. Once the bidding was over, then I personally called on Kinki to invite them to assemble the cars in what I think are the lowest cost and highest productivity place that they could, which is in the southern sector of Dallas.

While they haven't selected a site, they are economically driven and I think they will select that site, but it is up to them.

Mr. CARR. That is a good answer.

You say that the money will be fully obligated.

What is your outlay situation? How much money, though obligated, do you have on hand from prior appropriations?

Mr. BURKE. We have actually used our local match money. It is gone.

Mr. CARR. Your local money is your business, but the Federal money is our business. The Federal money is gone?

Mr. BURKE. Yes, for the light rail. For the other two projects, we are in the process of going out for engineering now.

Mr. CARR. I understand.

In the amount that you're requesting, $77.5 million for next year, how much will actually be paid out and spent?

Mr. BURKE. It will be placed on contract by the end of this fiscal year. I don't know how much will actually be paid out to the contractor. It depends upon how much progress they will make.

Mr. CARR. We need to know that figure for the record, if you could provide that.

Mayor BARTLETT. It is my understanding that it clearly will be obligated in fiscal year 1994. It is my understanding that it will be spent at the same rate it is today. I think the answer will come back that it will all be spent in fiscal year 1994 also. There may be some exceptions to that, but by and large, all of it will be obligated and it will be spent in fiscal year 1994.

Mr. CARR. We just want to make sure of the cash flow rate.

Mr. INGLE. We will provide that at our earliest possible convenience.

Mr. CARR. Thank you.

Mr. Wolf?

Mr. WOLF. Thank you, Mr. Chairman.

I welcome you all to the committee.

What is the HOV? Is it HOV–2 or HOV–3?

Mr. BURKE. It is HOV–2.

Mr. WOLF. Have you looked at HOV–3?

Mr. BURKE. We don't need that capacity.

In answer to the earlier question on this HOV, we are going to extend this one going in the outer lane by 2 miles. It is going out 5 miles now and coming back in 3 miles. We're going to extend it by 2 miles.

Mr. WOLF. What are the hours?

Mr. BURKE. The early morning goes from 6:00 to 9:00 and the afternoon is from 4:00 to 7:00.

Mr. WOLF. We have a moveable barrier that I helped get on the Teddy Roosevelt Bridge. We added an additional lane on the Teddy

Roosevelt Bridge and put in a moveable barrier so that we get an additional lane in the morning and an additional lane in the evening.

Have you looked at that one?

Ms. INGLE. Yes. That is the same system that we are operating with. I think the same contractor, in fact, built the machines. I believe those are the only two operating systems in the United States.

Mr. WOLF. Yes, that's correct. And it is a very, very good system. For a small amount of money, we got that system. I agree with the chairman that others should be looking at it. I think there was only one day when it did not work and it was because a person wasn't available at that time. But it has given us much more pavement without having to pay that extra amount.

I have no further questions. It was good to see you.

Mr. Chairman, I would like unanimous consent to submit to each witness a copy of a series of questions that I would like to ask every witness that comes before the committee.

Mr. CARR. Without objection, your prepared questions will appear in the record.

[The information follows:]

QUESTIONS FOR PUBLIC WITNESSES
HOUSE TRANSPORTATION APPROPRIATIONS SUBCOMMITTEE

1. What organization would be the recipient of the federal funds requested?

2. How much money are you requesting from this subcommittee for FY 1994?

3. What will these funds be used for?

4. Are you requesting any funds for non-construction purposes? If yes, what would these funds be used for?

5. What impact does this project have on our national transportation network, or any other federal purpose, which would justify the request for funds from this subcommittee?

6. For FY 1993, what is the total amount of federal funds that this organization received, and what activities were funded by these amounts?

7. Has the project received federal funds in prior years? In what fiscal years were those funds received and in what amounts?

8. Will you be seeking additional funds from this subcommittee for this project in the future?

9. What is the total expected cost of the project? What percentage of the total cost of this project would be funded by the federal government?

10. How much state, local, or private funds will be used for this project?

11. Are you seeking funds this year from any other federal source, or any other appropriations subcommittee for this project, or for any other project?

12. If the project for which you are seeking federal funds from this subcommittee is a highway project, where does it rank on the state's priority list?

13. If the project is a transit project, does the general public in your area support the project?

14. Has there been any public financing mechanisms initiated at the state and/or local level to help fund this project (highway or transit), such as a dedicated gas tax increase or a bond referendum? If so, please provide the specifics, and, in the case of any proposed bonding authority, please indicate the results of placing this project before the public.

Mr. Burke. Mr. Chairman, I want to thank you for personally visiting Dallas and for seeing the work in progress. I think that is very important for the committee's awareness of what is happening.

I also want to emphasize the nature of this project. The Federal money involved is going to serve the low-income portion of the city of Dallas with a concentration of Blacks and Hispanics in the Oak Cliff section of Dallas. It is very important in terms of providing the opportunity for individuals from that community to have employment opportunities in Dallas and to be able to travel throughout the city. It is a very important project.

Mr. Carr. Thank you very much.

I want to tell you and all who are in the room, who may have an interest in a particular project, that we are in the process of developing additional criteria to make sure that the money of the taxpayers of this country is being spent as wisely as possible. That hasn't been done in the past.

We have had some limited criteria, which Dallas has scored home runs on, but there will be additional criteria. We hope to have a preliminary draft of the criteria we will be using as early as this year by the end of the recess in April. I will look forward to working with you and all others who are promoting a particular project today.

We may be asking you to update some of the information you give us today based on new criteria. We think it is important that we go through this exercise to assure that the money is well spent.

Thank you very much for being here.

Ms. Johnson. Mr. Chairman, I would like to express my appreciation to you for having come to Dallas to look at the service area and other areas of transportation as well. We feel that you have an idea of what we're trying to describe here. It is a city that has come together with a regional plan to attempt to offer rapid transportation to transport people primarily to jobs. This is a major need for this particular portion of the city. I thank you for your positive consideration.

Mr. Carr. Thank you very much.

Tuesday, March 23, 1993.

SACRAMENTO, CA, PROJECTS

WITNESS

HON. ROBERT T. MATSUI, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. Carr. Our next witness will be the Hon. Robert T. Matsui. I apologize to you for your wait, however, the first witness concluded a little faster than we thought. Since you weren't quite ready, we proceeded out of order.

Mr. Matsui. Thank you, Mr. Chairman. I appreciate the opportunity to appear before you. I would like to congratulate you for obtaining the chairmanship of this very important subcommittee. I look forward to working with you and other members of the subcommittee.

I have very briefly two projects for Sacramento County. These were under the previous legislation and were authorized under ISTEA. One of them is a light rail project. It is an extension of an existing light rail project.

At this particular time, light rail exists in the northeast part of Sacramento County and it basically serves the downtown area, which is the State capitol of California. That being the case, it is heavily utilized at this time. Now we want to complete the second phase of the program, which is to extend the program out to the south part of the city where the population is growing rapidly as well.

The other project is an electric trolley project that would deal with the downtown area. There would be 32 buses that would take care of traffic in the downtown area.

Sacramento County is one of the non-attainment areas in the Nation in terms of air quality. We have had this problem for years and it doesn't look as if there is any end in sight. And the community over the last decade has come to realize that we have to look for alternative modes of transportation.

We are the third fastest growing city in the Nation with a population of 1 million or more. At the same time, even though Sacramento County itself doesn't have much agriculture, we are surrounded by agriculture. With agricultural needs, the air quality situation is extremely bad for our community.

As a result, our local elected officials and our business and labor leadership has come up with alternatives. The light rail project is one. We are asking for $1.5 million for additional design studies. We hope to complete this project by 1997. It is a total cost of some $303 million, of which $242 million would be Federal money and the local share being $60 million. We hope to have this construction finished by 1997 to 1999.

The electric trolley bus system has a total project cost of $60 million, of which $49 million would be Federal funds and the local share would be $12 million. And these would be actual local shares in terms of the dollar amount.

The electric trolley project has two aspects. One is that our local government wants to enter into a joint purchasing agreement with other local agencies in the country so that we can lower the cost of these electric trolley cars. Secondly, this project would be done in conjunction with the Sacramento Municipal Utility District, which provides electricity for Sacramento County.

You may have seen an article in Sunday's newspaper. Our executive director is no longer building any more power plants, but is trying to find ways to conserve in order to meet the growing demands of electricity and energy in Sacramento County. One of the things he wants to do is to obtain an air emission credit for the efficiencies and for the savings that we will have with respect to this electric trolley car project.

I will be happy to answer questions that you or other members might have, but we would hope that you would support this project.

[The prepared statement of the Hon. Matsui follows:]

STATEMENT OF THE HONORABLE ROBERT T. MATSUI
TRANSPORTATION APPROPRIATIONS SUBCOMMITTEE
SACRAMENTO LIGHT RAIL AND ELECTRIC TROLLEY BUSES

March 23, 1993

Mr. Chairman, I want to thank you for the opportunity to testify before your subcommittee today regarding two projects, Sacramento's light rail extension and electric trolley buses, which are extremely important to the Sacramento metropolitan area. I am proud of the efforts Sacramento is making to tackle the serious problems of air pollution and traffic congestion, and these two projects, which have received the support of Congress in the past, are improving the quality of life for the people who live in the Sacramento Valley.

Sacramento has a serious air pollution problem. Our community is too reliant on automobiles for transportation, we live in an area of high agricultural activity, and more people are moving into our community all the time. According to recent census statistics, Sacramento is the third fastest growing consolidated metropolitan area of more than one million people. While we welcome new citizens and recognize the importance of agriculture and other industry to the economic health of our community, the air quality in Sacramento has reached a critical point. We must find better, cleaner ways to accomplish our everyday activities. We must increase our car pooling, we must reduce our reliance on automobiles, and we must increase our use of alternative methods of transportation, including energy-efficient and environmentally sound public transportation.

Mr. Chairman, Sacramento's light rail and trolley bus projects are essential if the Sacramento community is to clear its skies of the pollution which, unfortunately, has led to our designation as a non-attainment zone. Sacramento is striving for change so that, one day in the near future, we can once again see both the majestic Sierras to the east and the golden Coastal Range to the west every single day. With the help of your committee, I am convinced Sacramento will achieve this goal.

First, I would like to briefly discuss Sacramento's light rail extension project. Extending light rail service twelve miles into the ever-growing southern portions of our community remains a top priority. The ISTEA legislation recognizes the importance of this extension, and authorized the project up to the construction phase.

This project, anticipated to be completed in 1999, has a current projected total cost of approximately $303 million, of which the Federal government share is anticipated to be approximately $240 million. Sacramento requires $1.5 million for

Fiscal Year 1994 to complete its alternatives analysis so that preliminary engineering and design can proceed in FY 1995. Funding this year is required due to the fact that Congress failed to fully fund the preconstruction phase of the project in FY 1993.

The southern extension is one element of a three corridor expansion of our light rail system which will help Sacramento make significant strides in its fight for clean air. Clearly, this southern extension project is an essential step in the evolution of Sacramento's transportation infrastructure. It is estimated that new rails in southern Sacramento will result in 1.6 million annual new passengers. Sacramento, with a helping hand from the Federal government, is committed to expanding light rail service throughout the city in order to clear our streets of traffic and clean our skies of pollution. I strongly urge the subcommittee to include $1.5 million in the Transportation Appropriations legislation so that Sacramento can move forward on this vital extension project.

Second, I would draw to your attention Sacramento's innovative electric trolley program. Last year, this subcommittee saw fit to appropriate $7 million to begin this program, which is a joint, $60 million effort with the Sacramento Municipal Utility District (SMUD) and the Sacramento Regional Transit (RT). The trolley program will electrify 28 miles of routes on which 32 buses will operate with zero emissions, far superior to existing diesel buses and superior even to compressed natural gas buses. The total project cost of this project is estimated at $60 million, of which the federal share will constitute $48 million. Sacramento seeks $41 million for Fiscal Year 1994 for the electric trolley bus project.

Joining light rail, the electric trolley bus program will constitute a key element in our effort to electrify our transit system in Sacramento. In addition to reducing congestion and associated air pollution from vehicles, the electric trolley bus program has developed several features which make it unique and of national significance.

Securing full funding in FY 1994 would allow Sacramento to participate in a joint procurement project including several other transit properties located throughout the United States. For this joint procurement to succeed, all the participating jurisdictions must make firm commitments to the program in the near future. Thus, it is crucial that Sacramento receive full funding in FY 1994 so we might take part in this joint procurement project.

Also, Sacramento is a participant in the Federal Transit Administration's national "turnkey competition," an experiment authorized by ISTEA and intended to develop more efficient administrative models for project implementation. The transit agencies ultimately selected for participation in this program will be allowed to submit the entirety of their programs for bid to potential contractors, who would take care of all the details of project implementation, easing the surges in work demand on the transit jurisdictions. In order to submit its program to contractors for their most efficient turnkey bids, Sacramento would be best positioned with full federal funding in hand for FY 1994.

The trolley project also provides an opportunity to demonstrate how air emission credits can work. SMUD has agreed to participate in a pilot program to purchase the mobile source emission reductions resulting from the electric trolley program. The emission reduction credits would be applied as offsets against new stationary source emissions in the Sacramento non-attainment area. This pilot program will help chart the path for future use of the air emission credit mechanism, and full funding for the electric trolley bus program will help ensure the success of the pilot program.

Mr. Chairman, I again thank you for allowing me the opportunity to outline Sacramento's outstanding transportation projects. I believe these two projects are economically efficient, environmentally sound, and represent the cutting-edge of public transportation technology. They are vital to Sacramento's future and deserve this subcommittee's full support.

SACRAMENTO LIGHT RAIL SOUTH CORRIDOR EXPANSION
SACRAMENTO ELECTRIC TROLLEY BUS
APPROPRIATIONS REQUEST - FISCAL YEAR 1994

1. Sacramento Light Rail South Corridor Expansion.

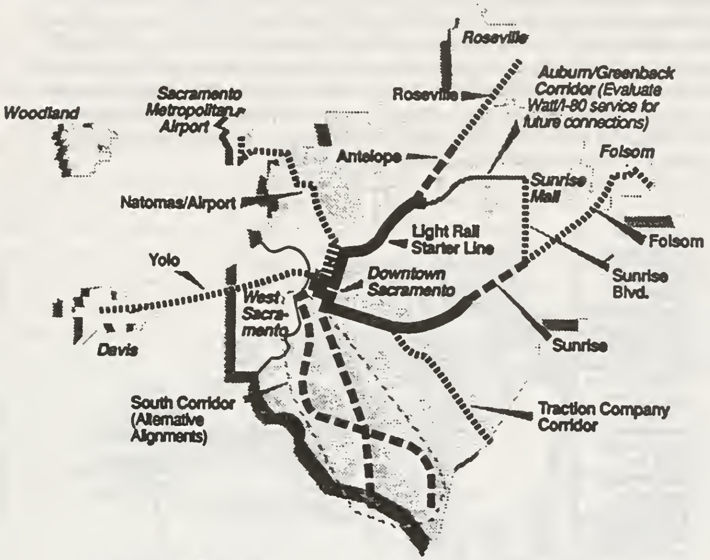
Total project cost:	$303.1 million
Federal share:	$242.5 million
FY 1993	$1 million
FY 1994	**$1.5 million** (alts analysis)
FY 1995	$8 million (prelim eng)
FY 1996	$16 million (final design)
FY 1997-99	$72 million (construction)
Local share	$60.62 million

2. Sacramento Electric Trolley Bus.

Total project cost:	$60 million
Federal funds:	$48 million
FY 1993 appropriation	$7 million
FY 1994 request	**$41 million**
Local share	$12 million

SACRAMENTO LIGHT RAIL

Exhibit A — Long Range Rail Development Plan


Roseville
Auburn/Greenback Corridor (Evaluate Watt/I-80 service for future connections)
Woodland
Sacramento Metropolitan Airport
Roseville
Antelope
Folsom
Natomas/Airport
Sunrise Mall
Light Rail Starter Line
Folsom
Yolo
Downtown Sacramento
Sunrise Blvd.
West Sacramento
Davis
Sunrise
South Corridor (Alternative Alignments)
Traction Company Corridor

▨ REGIONAL BUS SERVICE AREA

1991 Existing Starter Line

▬	STARTER LINE	Double Tracking: Dos Rios Station; 39th St. Station. Land Use Intensification, Joint Development

10-Year Development Plan - 1999 System

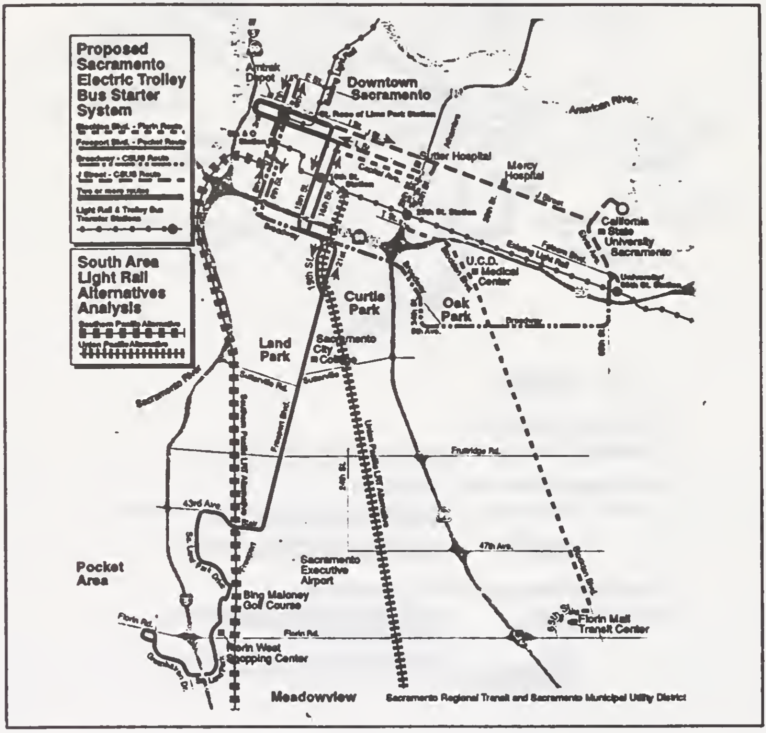
▬ ▬ ▬ ▬	SOUTH CORRIDOR	Alternatives Analysis, Preliminary Engineering, Environmental Impact, Construction, Revenue Service 1998
	ANTELOPE AND SUNRISE	Construction Level E.I.R., Preliminary Engineering, Construction, Revenue Service 1998

Long Range Development Plan - possibly 20 years

▪▪▪▪▪▪▪▪▪▪▪▪	FOLSOM ROSEVILLE	Regional Coordination, Construction Level E.I.R.'s, Preliminary Engineering, Construction, Revenue Service 2000 - 2010
	YOLO NATOMAS/AIRPORT TRACTION COMPANY SUNRISE BLVD.	Regional Coordination, Refinement Studies, Land-Use Orientation, Right-of-Way Preservation

SUMMARY

Sacramento's two publicly-owned and operated utilities, the Sacramento Regional Transit District (RT), and the Sacramento Municipal Utility District (SMUD), are proposing to electrify four major urban bus routes using state-of-the-art trolley bus technology. Trolley bus replacement of motor bus operation on "J" Street, Broadway, Stockton Boulevard and Freeport Boulevard would have important benefits in the areas of air quality, operating cost, operational characteristics and community impacts. The proposed "starter system" would be fully integrated into the region's bus and light rail network, and be expected to carry approximately 12,000 passengers per day. Consisting of 28 route miles and 32 buses, the total system cost would be an estimated $60.65 million, funded by federal, state, SMUD and RT sources.


Proposed Sacramento Electric Trolley Bus Starter System
Stockton Blvd. - Florin Route
Freeport Blvd. - Pocket Route
Broadway - CSUS Route
J Street - CSUS Route
Two or more routes
Light Rail & Trolley Bus Transfer Stations
South Area Light Rail Alternatives Analysis
Southern Pacific Alternative
Union Pacific Alternative
Amtrak Depot
Downtown Sacramento
St. Rose of Lima Park Station
American River
Sutter Hospital
Mercy Hospital
J Street
California State University Sacramento
16th St. Station
29th St. Station
Folsom Blvd.
Broadway
U.C.D. Medical Center
Curtis Park
Oak Park
Land Park
Sacramento City College
Sutterville Rd.
Sacramento River
Freeport Blvd.
Fruitridge Rd.
24th St.
43rd Ave.
47th Ave.
Pocket Area
Sacramento Executive Airport
Bing Maloney Golf Course
Florin Rd.
Florin West Shopping Center
Florin Mall Transit Center
Stockton Blvd.
Meadowview
Sacramento Regional Transit and Sacramento Municipal Utility District

Mr. Carr. Thank you very much, Congressman Matsui. We will be looking at this very carefully.

I have a couple of questions based on the criteria we have had in the past.

Does Sacramento have a dedicated source of local operating revenue?

Mr. Matsui. Yes, we do. I believe we have a .5 percent sales tax that is committed to transportation needs of our community. We had to do this in order to comply with Proposition 13, which requires a two-thirds vote for any kind of additional projects.

Mr. Carr. The Federal share appears to be about 80 percent.

Mr. Matsui. That's correct.

Mr. Carr. Is there any way that you could think that Sacramento could increase the local match?

Mr. Matsui. I think it is an item that the city and county and the Sacramento Municipal Utility District certainly would discuss and enter into negotiations with. I heard your statement to the previous panel, and I do agree that there has to be a reevaluation as to how Federal money should be spent, particularly in the highway and transportation areas. I share your vision and your concern there. I am pleased that you are looking at these things from a national perspective. That is certainly something that we would be happy to work with you on.

Mr. Carr. We don't want to be accused of changing the rules of the game in midstream. Of course, the authorization committee has its target—80/20 matches. This committee, for many years, the past 10 years, has encouraged people to overmatch. We may—and this may be one of the developments as a result of our study of investment criteria—we may be trying to put a ratio between a local match and expected ridership and ridership forecasts such that communities that are coming before us with low expectations in terms of ridership would be required to have a higher local match for discretionary dollars so that we can reduce the risk to the Federal taxpayer and shift more of the risk to the locals.

It is always easy to build the system on somebody else's dollar. One of the things we want to do is try to develop some criteria that will be fair. We will have to look very carefully at what your studies develop in terms of ridership forecasts.

We are also struggling, I might say, with the notion of forecasting. We find that in the first few years of a project the ridership forecasts are almost totally emotional. And then after people get into it and really begin to study it—we see ridership forecasts always coming down. We never see them going up. It leads us to believe that maybe we should be a little tougher at the front end so that we make more careful decisions.

How many miles is this?

Mr. Matsui. This light rail project I believe is 12 miles and the electric trolley is 28 miles. I think I have that right.

Mr. Carr. The electric trolley is like a downtown circulator-type of trolley?

Mr. Matsui. That's correct. We would have a zero emission situation with the electric trolley.

Mr. Carr. Is the light rail planned at grade?

Mr. Matsui. Yes, it is.

Mr. Carr. The circulator is 28 miles.

It has been a long time since I have been in Sacramento, and I think I was there only—I flew over it and landed at a place called the Nut Tree Restaurant.

I don't have a familiarization of the topography of Sacramento. Is it all largely in a flat area?

Mr. Matsui. It is essentially a flat area. It is an area that is approximately 100 square miles, and it has rather spread out over the years. We have a core downtown area and a huge suburban area, and then after that it is all agricultural land around it.

We are about 40 miles from the Nut Tree, and that is about 60 miles from San Francisco.

Mr. Carr. Is IVHS in the planning of the Sacramento area?

Mr. Matsui. We do not have IVHS currently in the highway system.

Mr. Carr. Mr. Wolf?

Mr. Wolf. How much money are you requesting this year?

Mr. Matsui. For the light rail project, $303 million, of which $242 million would be the Federal share at this time. Of course, that would change if your ratios change. At this time, it is $1.5 million for additional design work and studies. The electric trolley would be for $41 million for fiscal year 1994. That is a total project cost of $60 million. The local share would be $12 million of that.

Mr. Wolf. So as of now it is for non-construction purposes?

Mr. Matsui. The electric trolley would be mainly for putting in the lines, but also for the purchase of the 32 trolley cars.

Mr. Wolf. In fiscal year 1993, what is the total amount of Federal funds that the group received?

Mr. Matsui. For the electric trolley, I believe we received $7 million, and for the light rail project it was $1 million.

Mr. Wolf. Thank you.

I have no further questions, Mr. Chairman.

Mr. Carr. Thank you for being here. As I said to the other group, we are going to be developing some other criteria and we may want to consult with you and your transit association to get some updated information on the basis of the new criteria.

Mr. Matsui. Thank you, Mr. Chairman.

And I would extend an invitation and would welcome a visit by you and other members of the subcommittee to Sacramento. We are surrounded by wine country and would love to have you visit with our community.

Mr. Carr. Thank you very much.

Tuesday, March 23, 1993.

OREGON TRANSPORTATION COMMISSION

WITNESSES

HON. RON WYDEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

BARBARA ROBERTS, GOVERNOR, OREGON

MIKE HOLLERN, CHAIR, OREGON TRANSPORTATION COMMISSION

Mr. CARR. Our next witness is my good friend, Congressman Ron Wyden. I would invite you to come and make the introductions.

Mr. WYDEN. Mr. Chairman, thank you very much. Knowing of your fondness for long Member speeches, I am not going to give a filibuster here today and will be very brief.

Mr. CARR. Thank you.

Mr. WYDEN. Mr. Chairman, I am very pleased that you have brought a fresh approach to meeting transportation needs in this country. It seems to me that what you are showing is that you can be tight-fisted with the taxpayer dollar and at the same time do a first-rate job about going after the enormous challenge we have for infrastructure.

I think it would be fair to say that our governor—my good personal friend, Barbara Roberts—shares many of your concerns. She has been creative, thoughtful, and inventive in working on our transportation issues. I think you are going to hear shortly that she feels very strongly about these questions.

I just wanted to tell you that we appreciate the chance to have her and to have her appear personally. I have known her for more than 15 years. She is a good personal friend. She is accompanied today by Mike Hollern who chairs our State Transportation Commission.

I thank you for the courtesy of allowing me to introduce our governor, Barbara Roberts.

Mr. CARR. Thank you.

It is nice to see you again, Governor and Mr. Hollern. We had a nice opportunity yesterday to have a chat about a variety of things. I look forward to your testimony. If you would like to submit something for the record, we will include it in its entirety and you might want to just summarize your points.

Governor ROBERTS. I will try to do that. We did submit something earlier. I will try to make this brief.

Mr. Chairman and members of the subcommittee, for the record I am Barbara Roberts, Governor of the State of Oregon. I am here to speak to you, as you might well imagine, about transportation projects that are critical to my State.

This year in Oregon we are celebrating our 150th anniversary of the Oregon Trail, so we consider that likely this Nation's first heavily travelled cross-country route. Although the Oregon Trail is now obviously a series of modern interstate highways, we have tried to keep that blazing new trail attitude in Oregon as we have made decisions about transportation and other issues over the years.

Our belief in that kind of attitude caused the shared cost responsibility that made Oregon the first State in the Nation to dedicate gasoline tax and truck weight-mile tax to build highways, roads, and bridges in the State. Oregon also pioneered this country's first comprehensive land use system. Today we actively coordinate our land use system with our strong air quality program and broad-based transportation planning.

So we are very proud that our Oregon transportation plan was just awarded the Professional Achievement in Planning Award by the American Planning Association.

In that comprehensive plan, in addition to the other things I have mentioned, we have those commitments that are most major, and that is the transportation goal of reducing urban congestion and improve rural access in our State.

Today, as a major population increase impacts all of the western part of this country, I believe we have an opportunity to learn from the experiences of other parts of this country. We expect an additional 1 million people living in Oregon by the year 2012, so that is approximately a 35 percent increase in less than 20 years. So we are trying to answer a major part of that growth challenge through our recently adopted Oregon transportation plan.

It clearly meets the ISTEA requirements of planning for and developing Oregon's entire transportation system; it relies on flexibility of developing public transit and high speed rail, on airports, and on ports, and of course the mainstay of our highways, which is the roads and streets that provide the State with its safe and efficient travel.

Mr. Chairman, I would respectfully request that Oregon be allowed to submit our Oregon transportation plan to be entered into the record of this committee.

Mr. CARR. Without objection, your prepared document will appear in the record.

Governor ROBERTS. We hope that it serves not only as a demonstration of Oregon's innovative transportation planning, but hopefully a model worthy of replication in some other States of this Nation.

But in order to make that plan work, obviously we need to continue that partnership between the Federal Government and our State government. So I would like to mention four major projects that we would like to submit for the committee's attention today.

One relates to the full funding agreement that was signed last September to provide $550 million in section 3 funds for Portland's west side corridor transportation project, which very wisely—I believe—combines both highway and light rail improvement. We ask you to continue your commitment to that project with $145 million in section 3 funds in fiscal year 1994 so that we can stay on the construction schedule we have begun on that project.

The second item I wish to mention is a $45 million I–4R appropriation that will begin to eliminate a very frustrating bottleneck which is 9 miles long and includes 3 interchanges and runs on Interstate 5 through our capitol city of Salem. That stretch of freeway was built in the 1950s and it literally cannot safely handle today's traffic and needs to be rebuilt for both auto and commercial traffic in that area.

We are also seeking a $45 million appropriation to begin developing Oregon's portion of the high speed corridor from Eugene, Oregon to Vancouver, British Columbia. And as you well know, through our discussion yesterday, this was designated by the Federal Railroad Administration as one of the five corridors nationwide.

I believe strongly enough that this project matters in our State—and particularly as we look at the changes that may be occurring in Canada and Mexico and with international trade from Japan and Asia—that these State funds are important that we not only submit them as well as asking for them. I have $11.5 million in a very tight State budget to try to meet our portion of that obligation. This is both a passenger and freight rail opportunity in terms of not only speed but efficiency in both of those areas.

We are also asking for $4 million in fiscal year 1994 to help safeguard a unique national treasure. That allocation would continue to fund an existing three-State cooperative plan which develops 800 miles of U.S. 101, the Pacific Coast Highway, from Eureka, California to Olympia, Washington.

I want to mention very briefly as I close four other projects that are smaller but important:

Improve the safety and operations of the Aurora State Airport. This is a $5 million allocation request for instrument landing systems and control tower in an airport that is growing in use constantly.

Provide $5.2 million for phase 2 of a continuing project to improve access to the forest lands along the North Umpqua River, a critical road system in terms of our forest industry.

And also buy buses and build passenger transfer sites for the Salem and Eugene transit districts.

And finally, provide $2.25 million to implement transportation land use planning in small Oregon communities.

I want to be clear with you, Mr. Chairman, and with your committee members that I am well aware of the budget and deficit pressures that this Congress faces, but Oregon is highly committed to do our part in this process. We have raised our State gas tax from 8 cents in 1982 to 24 cents today, and there is a current proposal in the Legislature to raise the Oregon dedicated gas tax 4 cents per year for the next 4 years.

I think that reflects Oregon's very strong belief in the investment in transportation, and that being the wrong place to make cuts both at the State and Federal level. We believe it is an investment that creates jobs, stimulates the economy, and clearly lays a foundation for the future. Oregon is committed to building that foundation. I think our gas tax commitment is one of those representations of that commitment.

I thank you for the opportunity to testify, Mr. Chairman. Both Mr. Hollern, Congressman Wyden, and I are prepared to answer any questions you might have on these proposals.

[The prepared statement of Gov. Roberts and the summary of the Oregon Transportation Plan follow:]

[CLERK'S NOTE.—The Oregon Transportation Plan is retained in the Subcommittee's files.]

BARBARA ROBERTS
GOVERNOR

1859

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SALEM, OREGON 97310-0370
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Testimony
before the
HOUSE TRANSPORTATION APPROPRIATIONS SUBCOMMITTEE
Washington, D.C.
MARCH 23, 1993

GOVERNOR BARBARA ROBERTS
STATE OF OREGON

This year, Oregon celebrates the 150th anniversary of the famous Oregon Trail -- likely our nation's first heavily-traveled cross-country route.

And although the Oregon Trail has long-since been replaced by modern interstate highways, we've kept our commitment to blazing new trails.

For instance, our belief in shared cost responsibility caused Oregon to become the first state to use dedicated gasoline taxes and truck weight-mile taxes to build highways, roads and bridges.

And Oregon pioneered this country's first comprehensive land use system. Today we actively coordinate our land use system with our strong air quality program, our state housing commitment, and broad-based transportation planning. We are very proud that our landmark Oregon Transportation Plan was just awarded the Professional Achievement in Planning award by the American Planning Association, Oregon Chapter. Within Oregon's comprehensive planning, our state remains committed to our two major transportation goals: reducing urban congestion and improving rural access.

Today, as major population increases impact the western part of this nation, we have an opportunity to learn from the experiences of other parts of our country. An additional 1 million people will be living in Oregon by the year 2012. That's about a 35 percent population increase in less than 20 years. We are answering a major part of that growth challenge through our recently adopted Oregon Transportation Plan. The plan provides Oregon's long-range transportation vision, and was completed a short nine months after Congress approved ISTEA. It meets the ISTEA requirements of planning for and developing Oregon's entire transportation system. It relies on the flexibility of developing public transit, high-speed rail, freight rail, airports and ports. And it, of course, reinforces our mainstay system of highways, roads and streets to provide safe and efficient travel.

The vision that Congress showed in ISTEA is clearly reflected in the Oregon Transportation Plan. It will meet our mutual goal: to develop a safe, efficient and modern transportation system that stimulates economic growth, relies on sound transportation land use planning and protects our environment by improving air quality. Mr. Chairman, I respectfully request that the Oregon Transportation Plan be entered into the record. We hope it serves not only as a demonstration of Oregon's innovative transportation planning, but also as a model worthy of replication in other states.

But in order to make the Oregon Transportation Plan a reality through ISTEA, we need your continued partnership in investing in the following projects:

■ A full-funding agreement was signed last September to provide $515 million in Section 3 funds for Portland's westside corridor transportation project, which wisely combines highway and light rail improvements. We ask you to continue your commitment to this project by appropriating $145 million in Section 3 funds for fiscal year 1994 so we can stay on our construction schedule.

■ With a $45 million I-4R appropriation, we can begin to eliminate a frustrating bottleneck on nines miles and three interchanges of Interstate 5 through our capital city of Salem. This stretch of interstate was built in the 1950s, and cannot safely handle today's traffic. It must be rebuilt now to handle traffic that will double in the next 25 years.

■ We also need a $45 million appropriation to begin developing Oregon's portion of the high-speed rail corridor from Eugene, Oregon to Vancouver, B.C., designated by the Federal Railroad Administration as one of only five corridors nationwide. I believe so strongly in this project that I have asked the Oregon Legislature to provide $11.5 million in state funds for this high-speed rail plan. Oregon's incremental approach will improve existing rails, facilities and service to boost train speeds, eventually up to 125 mph. The same improvements also will boost freight rail speeds and efficiency. With this appropriation, we can start working to make high-speed rail a reality in Oregon by the year 2000.

■ We are asking for $4 million in 1994 to help safeguard a unique national treasure. That allocation would continue to fund an existing three-state effort to plan for developing 800 miles of US 101, the Pacific Coast Highway, from Eureka, California to Olympia, Washington as a national "Tri-State Pacific Coast Scenic Byway."

- Finally, we want to continue our cooperative partnership with the federal government on these other important projects:
  - To buy buses and build passenger transfer sites for the Salem and Eugene transit districts for $9.3 million;
  - To improve safety and operations at Aurora State Airport through a $5 million allocation for an instrument landing system and control tower;
  - To provide $5.2 million for phase two of a continuing project to improve access to forest lands along the North Umpqua River; and finally,
  - To provide $2.25 million to implement transportation land use planning in small Oregon communities.

Mr. Chairman, members of the committee, I urge you to continue our strong federal-state partnership by providing the necessary appropriation for these critical projects.

I am well aware of and understand the budget and deficit pressures this committee faces. Oregon, in good times or bad, has always been committed to providing the necessary state matching funds for projects such as the critical transportation investments I've outlined here today. It began in 1919, when we had the first highway gas tax in the nation. In modern times, we've raised state gas taxes from 8 cents in 1982 to 24 cents today, with a current proposal in our Legislature to raise Oregon gas taxes 4 cents per year for the next four years.

Oregon believes the investment in transportation is the wrong place to make cuts. It's an investment that creates jobs, stimulates our economy, and lays a foundation for the future. Oregon is committed to our continued partnership in building that foundation.

I thank you for the opportunity to testify, and Mr. Hollern and I are prepared to answer any questions you might have.

■ ■ ■

Submitted for the record by Governor Roberts of Oregon

OREGON TRANSPORTATION PLAN

Adopted by the Oregon Transportation Commission
September 15, 1992

SUMMARY

OREGON DEPARTMENT OF TRANSPORTATION
STRATEGIC PLANNING SECTION

PREFACE

The **Oregon Transportation Plan (OTP)** is intended to meet the requirements of ORS 184.618(1):

> *As its primary duty, the [Transportation] Commission shall develop and maintain a state transportation policy and a comprehensive, long-range plan for a multimodal transportation system for the state which encompasses economic efficiency, orderly economic development, safety and environmental quality. The plan shall include, but not be limited to aviation, highways, mass transit, pipelines, ports, rails and waterways. The plan shall be used by all agencies and officers to guide and coordinate transportation activities and to ensure transportation planning utilizes the potential of all existing and developing modes of transportation.*

The OTP also meets the requirements of the State Agency Coordination Program and the Land Conservation and Development Commission (LCDC) Goal 12: Transportation Planning Rule regarding the system plan. It carries out the federal Intermodal Surface Transportation Efficiency Act requirements for a state transportation plan.

The first part of the plan, the **Policy Element**, defines goals, policies and actions for the state over the next 40 years. It gives direction to the coordination of transportation modes; the relationship of transportation to land use, economic development, the environment and energy use; the coordination of transportation with federal, state, regional and local plans; transportation financing; transportation safety and related matters.

The **System Element**, the second part, identifies a coordinated multimodal transportation system, a network of facilities and services for air, rail, highways, public transit, pipeline, waterways, marine transportation, bikeways and other modes to be developed over the next 20 years in order to implement the goals and policies of the plan. The System Element includes an inventory of existing facilities and services, a base forecast of transportation demands, identification of corridors and transportation facilities of statewide significance, a description of minimum levels of service, and an implementation strategy. This document summarizes the data that form the basis of the System Element; the Multimodal System Element Technical Report contains the basic data.

Five advisory committees involving over 70 citizens participated in developing the goals and policies. The public reviewed this Policy Element in November and December 1991. The OTP Steering Committee, made up of members of the Oregon Transportation

Commission, state legislators and representatives of local governments, has guided the development of the System Element. After examining four alternative approaches to providing transportation facilities and services, the committee chose a preferred system. The committee distributed a draft of the System Element for public review in late spring 1992. This review included 23 public meetings throughout the state, meetings with local governments and business and civic organizations and written testimony.

The Oregon Transportation Commission held a public hearing on August 25 in Bend, and, at its September 15, 1992 meeting, adopted the OTP, including both the Policy and System Elements. Changes in transportation policies, financing and other legislation required for implementation of the plan will be introduced to the 1993 Legislature.

SUMMARY

INTRODUCTION

Oregon's transportation system continues to be crucial to the state's livability and development. Opportunities and challenges facing the state require a strong and efficient transportation system to serve the needs of commerce and personal mobility.

Oregon's population is expected to grow faster than the nation's for most of the next 40 years. According to forecasts by the Oregon Department of Transportation (ODOT), Oregon's population is projected to increase from 2.8 million in 1990 to 3.8 million in 2012. After that, Oregon's growth rate will slow, reflecting national trends. Most of this growth is projected to take place in the Willamette Valley, especially in its suburban areas; the Valley's population densities will approach those of more urban states.

At the same time, growth pockets on the coast and in central and southern Oregon, especially in the Medford metropolitan area, will lead growth outside of the Willamette Valley. The population in eastern Oregon will also increase.

Increased demands for transportation services will be most prevalent in the fastest growing areas of the state. These areas will be concerned with air quality and energy conservation. New forms of land development will be required to avoid the type of urban sprawl that has reduced the livability of many American cities and limited opportunities for public transit, bicycling and walking.

As the state's economy develops more diversity, high-value manufacturing and services will be important industries along with wood products, agriculture and tourism. Links to international and national markets must be developed and improved in order to take advantage of the new economic trends.

Rural areas will increasingly need access to services and markets. Links between rural and urban areas must be maintained and enhanced in order to serve both areas and the economy of regions outside the Willamette Valley.

New technology should help make travel more efficient. Intelligent Vehicle Highway Systems (IVHS) will allow traffic to flow more efficiently, while high-speed rail offers the potential to divert trips from air. But the state also needs to improve linkages between transportation and land use so that each supports the other.

In anticipation of these challenges, Oregonians have set bold new directions for the state's future transportation system through the Oregon Benchmarks, the Land Conservation and Development Commission's (LCDC) Transportation Planning Rule, and the goals and policies developed in the Oregon Transportation Plan's (OTP) Policy Element. These form the basis for the System Element.

THE GOALS OF THE OREGON TRANSPORTATION PLAN

The purpose of the Oregon Transportation Plan is to guide the development of a safe, convenient and efficient transportation system which promotes economic prosperity and livability for all Oregonians.

The Transportation Commission drafted this purpose statement during development of the Policy Element of the Transportation Plan. The Policy Element establishes four goals for Oregon's future transportation system.

Goal 1 - Characteristics of the System

To enhance Oregon's comparative economic advantage and quality of life by the provision of a transportation system with the following characteristics:

- Balance
- Efficiency
- Accessibility
- Environmental Responsibility
- Connectivity among Places
- Connectivity among Modes and Carriers
- Safety
- Financial Stability

The transportation system must be designed and developed so that people have transportation choices in going from place to place. In urban areas people should be able to choose to commute, for example, by carpool, public transit or bicycle as well as by auto. Freight shippers need competitive services to hold down rates and encourage innovation.

The system must be efficient. Transportation agencies need to make decisions about whether to add lanes to freeways or to build light rail lines based on their full costs, including the costs to the environment and the community. User charges, such as gas taxes and vehicle registration fees, must reflect the cost of reducing air pollution in addition to road construction and maintenance.

Transportation services must be reliable and accessible to all potential users, including the young, the elderly and the disabled. Public transportation and transportation for special groups, like the elderly, must be coordinated to provide more effective service.

The system must be environmentally responsible. Vehicle emission standards and efforts to reduce the vehicle miles traveled per capita will improve air quality and reduce energy consumption. Routing plans will improve the transportation safety of hazardous materials.

Statewide transportation corridors must provide access for people and goods to all areas of the state, nation and the world. Travelers must be able to transfer easily from public transit to rail or plane. Freight must be easily shifted from truck to rail to ship or plane to take advantage of the most efficient mode.

Safety standards must target roadway design and education for drivers of all types of vehicles and for pedestrians. Increased law enforcement is needed to reduce accidents related to excessive speed, alcohol and other drug use.

The transportation system must have financial stability. Investments in highways, transit, and other transportation infrastructure must be protected, and transportation services must be reliable.

Goal 2 - Livability

To develop a multimodal transportation system that provides access to the entire state, supports acknowledged comprehensive land use plans, is sensitive to regional differences, and supports livability in urban and rural areas.

Oregon's transportation system must support statewide land use goals and regional, city and county land use plans. Transportation facilities and services need to support development of compact urban areas. Land use developments need to be designed so that people can live, work and shop in the same area. Walkways and bikeways should make walking and bicycling safe and convenient, and provide access to public transit. Access controls on intercity routes should be used to reduce congestion.

The state must define and assure appropriate minimum levels of transportation service to provide access to all parts of the state. In rural communities, bus services need to be stimulated, and rural highways and bicycle routes need to be improved to provide safe travel. Since areas of Oregon vary greatly in their needs, transportation solutions need to be tailored to specific areas.

Supports for environmental quality and economic development, including scenic vistas and aesthetic values, must be included in the design and improvement of transportation corridors.

Goal 3 - Economic Development

To promote the expansion and diversity of Oregon's economy through the efficient and effective movement of goods, services and passengers in a safe, energy efficient and environmentally sound manner.

To foster economic development, people and goods must travel by the most efficient means possible. One mode must be connected with others through intermodal hubs which allow goods to move from truck to rail to ship or plane. Passenger terminals must be developed to allow efficient and convenient movement of people between modes.

Adequate facilities for rail service, air freight and marine transportation must be maintained. Air connections need to link all parts of Oregon to all parts of the nation and the world. Waterways and marine ports need to increase Oregon's ability to compete in international trade. Since the ports on the Columbia River share the river system, the state needs to maintain strong working relationships with Washington and Idaho Columbia/Snake River communities.

Goal 4 - Implementation

To implement the Transportation Plan by creating a stable but flexible financing system, by using good management practices, by supporting transportation research and technology, and by working cooperatively with federal, regional and local governments, Indian tribal governments, the private sector and citizens.

Transportation financing must be both stable and flexible. The finance system must provide equity among alternative transportation modes, state, regional and local jurisdictions, all regions of the state and individuals and businesses.

The transportation system must be managed so that steps are taken to ease the demands on the system before new facilities are constructed. For highways this can be done by reducing peak period travel, improving the traffic flow and encouraging the use of transit, bicycling and walking. In the future, congestion pricing or toll systems may be an important element of urban freeway management.

The state will support the development of innovative management practices, new technologies and other techniques that help to carry out the implementation of the Transportation Plan. Partnerships with universities and private industry will promote transportation research.

Further refinement and implementation of the Transportation Plan will depend on the cooperation of federal, regional and local governments, the private sector and the citizens of Oregon. The Land Conservation and Development Commission Transportation Planning Rule requires regional and local governments to be consistent with the state transportation plan, but the state will also adopt regional transportation plans when they meet established criteria. The state will work with federal land management agencies and Indian tribal governments to coordinate transportation plans and projects. The goal is a coordinated and complementary transportation system.

The Transportation Plan depends on the full involvement of the citizens and the private sector in Oregon. Many of the policies and actions will require private investment. Most depend on public consensus for change.

THE SYSTEM ELEMENT

The Preferred Alternative for the System Element meets the goals of the Policy Element in eight ways:

1. It identifies a multimodal system including air, rail, auto, truck, bus, bicycle, pedestrian, waterway and marine transportation, and pipelines to be implemented within the next 20 years.

2. It establishes minimum levels of service to be achieved by each mode of transportation.

3. It identifies other major improvements beyond minimum levels of service.

4. It identifies the transportation corridors and facilities which serve statewide and interstate functions.

5. It identifies transportation system and facility management processes that must be put into place, including local transportation demand management and financing principles.

6. It identifies land use patterns that must be put into effect to achieve the goals of the transportation plan.

7. It identifies local, state and federal roles in implementing the plan and sets planning and performance criteria for modal implementation plans and local and regional transportation plans.

8. It estimates the financial requirements to implement the plan.

The Alternatives

The System Element envisions the facilities and services which would be put in place within the next 20 years. Because of the length of time required to implement transportation projects and changes in technologies, it also envisions those major issues and projects which may be necessary in the next 20 to 40 years.

To place the possibilities in perspective, the Steering Committee examined four funding alternatives:

1. Funding decline with status quo program,
2. Continuation of existing program,
3. Continuation of existing program with modal shifts, and
4. Economic development and livability approach.

In each alternative, state and local governments are to (a) use system management techniques to handle traffic growth and protect facilities from congestion and (b) coordinate transportation plans with land use plans, emphasizing compact development and maintenance of urban growth boundaries.

FUNDING DECLINE

Funding Decline would not support expansion and improvement of the existing system. Efforts would be limited to preservation of existing infrastructure, and the following would be expected: no expansion of current service levels; increased traffic congestion; a decline in intercity bus, rail, specialized transit, aviation, marine transportation and pipeline services; and no improvements for intermodal passenger and freight facilities. Transit ridership in the Portland metropolitan area would increase because traffic congestion would significantly increase, but transit ridership would decline in other areas because of lack of funding.

CONTINUATION OF EXISTING PROGRAMS

2012 Continuation of Existing Programs would continue existing transportation programs at state and local levels with funding increases for inflation, but without any change in emphasis or major funding enhancements. Under this alternative there would be unmet minimum levels of service standards for highways, transit, rail, aviation, marine transportation and pipelines; limited expansion of state highway capacity; and increased vehicle miles travelled per capita between 0.3 percent per capita in metropolitan areas and 1.5 percent per capita statewide.

Transit ridership and intercity passenger patronage would grow at the same rate as population growth, but the number of intercity bus routes would decline. Expansion of specialized elderly and disadvantaged transit services and establishment of new citywide transit systems would be limited. However, air service in Astoria, Newport and Roseburg would be enhanced. National scenic byways would be developed along the entire length of U.S. 101 and in the Columbia River Gorge national scenic area. The bicycle and pedestrian facility construction program would continue. Corvallis/Albany would be designated as a new metropolitan planning area.

CONTINUATION WITH MODAL SHIFTS

2012 Continuation of Existing Programs with Modal Shifts would implement all non-highway programs as in the next alternative, but with the same highway programs as in the Funding Decline.

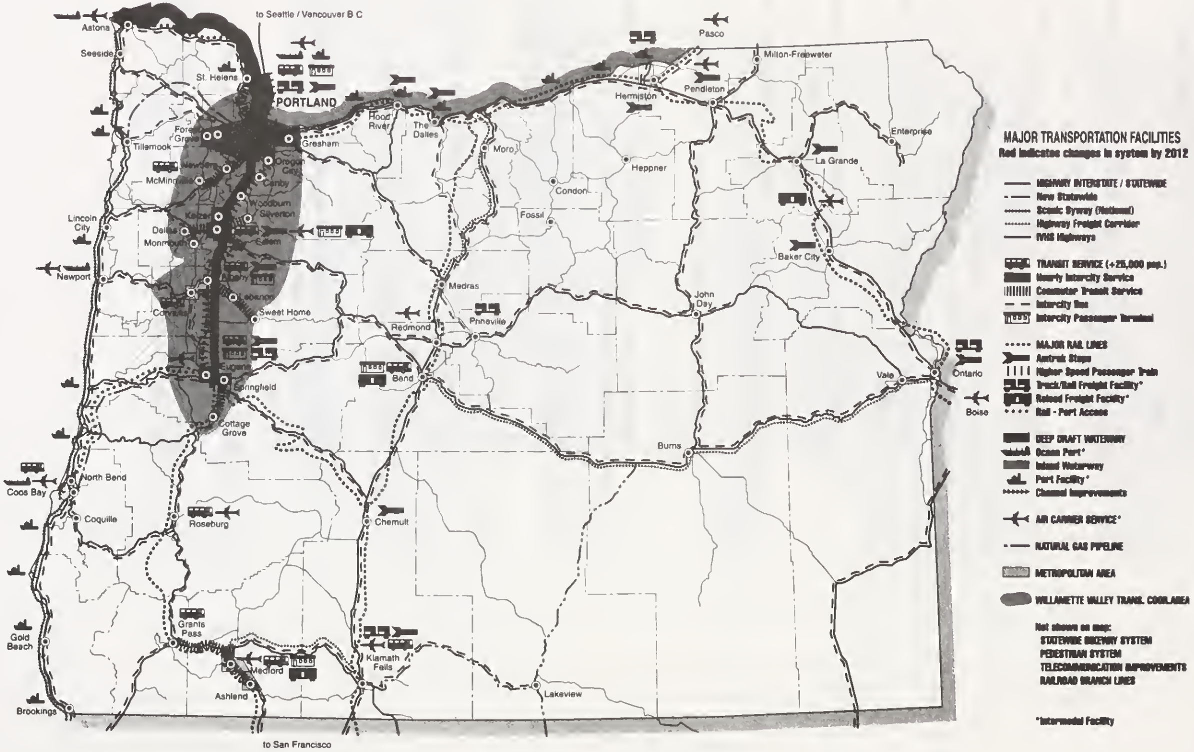
LIVABILITY APPROACH

Livability Approach: Minimum Levels of Service - Plus Preferred Transportation System shows how the transportation system would look with full implementation of the economic development and livability alternative. (See map.) Under this alternative, it is expected there should be by 2012:

- A transportation system that helps maximize economic opportunities and quality of life, as measured by the Oregon Benchmarks;
- Significant expansion and improvements in metropolitan transit service, including construction of the light rail routes in the Portland metropolitan area that are identified in the 1992 Tri-Met Strategic Plan;
- Hourly intercity passenger service established in the Willamette Valley along I-5 between Eugene and Portland;
- Higher speed (110 to 125 m.p.h.) rail passenger service between Eugene and Portland with connections to Vancouver, B.C.; seven round trips per day;
- A sevenfold increase in the use of telecommunications over 1990 use;

- High occupancy vehicle (HOV) lanes and peak period congestion pricing established on freeways and arterials in metropolitan areas;
- Intelligent Vehicle Highway System (IVHS) networks in metropolitan areas and on I-5 and I-84;
- Walking and bicycle trips at double the present rate, and transit at double the base case forecast in metro areas;
- Intercity bus or commuter bus service available to cities of over 2,500 population;
- Urban transit service available in communities over 25,000 population;
- Intermodal passenger terminals established in Portland, Salem, Albany/Corvallis, Eugene, Medford and Bend/Redmond;
- Enhanced rural commercial air service, particularly to the Baker City and La Grande area;
- Expanded air freight handling capability at all commercial airports;
- International port improvements and maintained rail service on the lower Columbia River and Coos Bay;
- Improved intermodal truck/rail freight hub facilities in Portland, Eugene, Klamath Falls, Umatilla/Boardman and in Idaho near Ontario. Truck/rail freight reload hubs established in Medford, Bend, Salem, Baker City/La Grande;
- Additional major highway freight corridors on non-Access Oregon Highways;
- Additions to the statewide functional highway system;
- Natural gas pipelines extended to Coos Bay/North Bend and Tillamook to make alternative transportation fuel available. Improved pipelines to regions lacking adequate service to help industrial development;
- Full implementation of the LCDC Transportation Rule;
- Establishment of a Willamette Valley Transportation System Coordination Area.

OREGON TRANSPORTATION PLAN
TRANSPORTATION SYSTEM BY YEAR 2012



LONG-RANGE POSSIBILITIES

The long-range transportation possibilities worthy of discussion, but are either too far in the future or too uncertain to be included in this plan in a meaningful way, include:

- High-speed rail service in the Willamette Valley with connections to Seattle;
- A Willamette Valley/Columbia Gorge interurban rail service, which could be a way of serving commuter travel needs on the west side of the Willamette Valley and in the Columbia Gorge;
- A Klamath Falls intermodal air freight hub;
- A new international airport in the Willamette Valley, which may be needed if Portland International Airport reaches capacity;
- Passenger rail service from the Rogue Valley to California and later to Eugene as improved technologies are developed.

The Preferred Plan

The OTP Steering Committee selected the Livability Approach as the Preferred Plan for adoption.

In addition to the minimum levels of service and specific improvements listed above, the Preferred Plan includes provisions for system management, land use coordination, identification of facilities and systems serving statewide and interstate functions, and implementation and investment strategies.

The Preferred Plan emphasizes more intensive management of the existing transportation system. It encourages the use of fees and management techniques to reduce single occupant vehicle travel, alleviate congestion and promote shifts to more efficient and environmentally responsible modes of transportation.

The plan requires coordination of land use and transportation. It assumes urban growth boundaries will be maintained and land use and transportation actions will support each other.

The OTP will be implemented through integrated state, regional and local planning and private sector actions. ODOT multimodal and modal plans and system management will carry out or amplify the OTP and must be consistent with it. The Transportation Planning Rule calls for the transportation system plans of metropolitan planning organizations (MPOs), counties and cities to be consistent with the adopted elements of the OTP. Public and private transportation coordination and cooperation will be needed to carry out other measures.

According to preliminary estimates, implementation of the Preferred Plan will require an additional $12 billion in funding over the next 20 years, including local, state and federal commitments. Although 57 percent of the additional dollars will go to roads, streets and highways, the investment strategy calls for major new investments in railroads, marine ports, aviation, intercity bus and transit.

The financing program for the plan is still being formulated. The Transportation Commission plans to recommend a specific financing program to the 1993 Legislature by December 31, 1992.

Mr. CARR. We thank you for your being here and, again, the chance to visit yesterday about many of the transportation needs in the entire northwest.

The $45 million I–4R appropriation you are requesting—that would be for the construction season of fiscal year 1994. Is that correct?

Governor ROBERTS. That is correct.

Mr. CARR. How long is your construction season?

Governor ROBERTS. Generally about 6 months.

Mr. CARR. In Michigan, typically our cutoff is 40 degrees, whenever that arrives. Then we have some calendar dates that bracket that. Is that the way it is done in Oregon?

Mr. HOLLERN. We typically have warmer weather probably than you do in Michigan. But it is the wet weather that causes us problems.

Governor ROBERTS. We don't like to mention the Oregon rain, but it does occur with some abundance.

Mr. CARR. If this current supplemental appropriation is passed relatively unchanged, Oregon is going to receive $39.7 million. How do you intend to use that?

Governor ROBERTS. We have submitted proposals to the incentive package. We have a 6-year plan in Oregon in addition to the transportation plan I mentioned to you. We have submitted a variety of projects that could be considered for that $39 million supplement.

Maybe Mr. Hollern can answer the specifics of that.

Mr. HOLLERN. Mr. Chairman, I can submit a list of all the projects. It is essentially a great number of rehabilitation, repair, repaving, and overlay type projects pretty well scattered throughout the State.

Mr. CARR. Is that the list that was submitted through AASHTO to the DOT?

Mr. HOLLERN. I believe so.

Mr. CARR. Then we already have that list.

I would just indicate that this committee's findings over the years has been that if you are interested in a high value economic return, at the same time getting a lot of jobs created, the I–4R program is the place to put the money. Given that you have identified a need here, I would just wonder out loud if some of that supplemental couldn't go to rehabilitating that Interstate 5 to get that underway quickly.

Is Interstate 5 on the list?

Mr. HOLLERN. My understanding is that we couldn't get that to contract within the time period. We are talking about a fiscal year 1994 contract. There is one contract that is underway now that has to do with the right-of-way acquisition.

Mr. CARR. You know that this committee won a concession from the Administration and we extended the time from 60 days to 90 days. Perhaps you can review your I–5 plans in light of that. Maybe you still can't do it. I don't know.

Mr. Wolf, do you have any questions?

Mr. WOLF. Thank you, Mr. Chairman.

Do you think it would have been better if it had been 120 days?

Mr. HOLLERN. Probably from Oregon's point of view it would have been a little bit better to have 120 days, but then you are stretching it out.

Mr. WOLF. I am going to have a series of questions that the committee will put in the record that all the witnesses will be asked.

How much money are you requesting from the committee for this fiscal year? What are the priority projects and how much are you requesting?

Governor ROBERTS. The first four projects I listed are clearly on that priority list. I believe the total is $260 million for the four major projects and then those four smaller projects I added. I believe that is the correct amount on that, Mr. Wolf.

Mr. WOLF. Do they all have equal priority? You made the comment at the end about the deficit. If we are only talking about a limited amount of money, what are the highest priorities?

Governor ROBERTS. Clearly, the highest priority is the commitment that has already been made and that we are involved in concerning the construction process beginning on the west side light rail project and highway improvement project that basically takes the east side light rail, but goes from Portland east and now takes that rail project into the western part.

Quite frankly, Mr. Wolf, if decisions were being made and I had been involved in that decision process, we would have built a west side first rather than second because of the density of population on that side. So the commitment that was made on that and the extension of that $145 million into this next fiscal year I would say is the most critical of all the projects we have.

Mr. WOLF. And all of that would be used for construction? None would be for non-construction purposes?

Governor ROBERTS. No.

Mr. WOLF. I have no further questions.

Thank you very much.

Mr. CARR. We thank you for being here. Similar to Mr. Wolf's comments, we're in the process of developing criteria that we're going to apply to all projects, so we may be coming back to you for some additional information.

Governor ROBERTS. Mr. Chairman, as you are reevaluating the 80/20 decisions for future projects, I think those of us who are watching from a State level clearly understand the need to reevaluate some of those decisions that have been in place that may not meet the criteria for today's deficit reduction. I think local governments and State governments are certainly aware of the need to evaluate that process.

Mr. CARR. Thank you.

Mr. WOLF. Would the chairman yield?

Governor, I appreciate your statement there.

Do you think the committee should give more money to areas that are willing to put more money in as a local match? Do you think there should be some formula developed that the more an area is willing to give, the more they should receive?

Governor ROBERTS. I think certainly in the State of Oregon where we have both as taxpayers and politicians willing to increase our committed tax on gasoline and weight-mile directly to construction and transportation, I think that State commitment is clearly our sense that we owe something back to the process and we are willing to continually increase that to meet those kinds of demands.

I think there may be a point in some States—I am not speaking particularly of mine—where they may not have as much flexibility to do that. Oregon, for instance—it is almost impossible for us to change a tax structure without a vote of the people. So obviously we have to have a commitment from our people as well as our politicians to make that system function.

But I do believe that there has to be a commitment on the part of local governments and the local citizenry. With the west side light rail project and highway project we were just discussing, there was a major commitment from the State of Oregon over a 4-year period, and there was a major bonding effort on the part of our local citizens over a three-county area that voted overwhelmingly to support their portion of the local match through citizen contributions.

I think that kind of commitment is really significant. I don't think the Federal Government can be expected to carry the entire load on those issues.

Mr. Wolf. So maybe if there were a bond referendum or some sort of referendum to indicate public approval,——

Governor Roberts. I think it is worth an evaluation in terms of the commitment from both local citizens and local politicians and State politicians to make that kind of commitment.

Mr. Wolf. That is helpful because periodically there are some groups that come before the committee where there really has not been very much done at the local level, yet they see this committee's funding as a pot they can go after. I think if you can show local support in bond referendum or other dedicated funding initiatives, it makes a difference.

Governor Roberts. I would tell you, Mr. Wolf, that in the State of Oregon right now we are dealing with something called Ballot Measure 5, which is sort of the ugly stepsister of Proposition 13 in California. It is worse than that measure and is doing a great deal of damage to our ability to fund at the State level.

Even with that in place, we are asking our local governments to participate just as you have asked me in that we want to see their efficiencies and their financial commitments at the local level in order for the State to participate with them in a number of projects. I can't think that is unlike what you are asking of State governments. I think Oregon remains committed to transportation projects and to our funding mechanism being a part of that contribution.

Mr. Wolf. Thank you very much, Governor.

Mr. Carr. Thank you very much, Governor.

Governor Roberts. Thank you very much for hearing us.

[Response to Mr. Wolf's questions follows:]

BARBARA ROBERTS
GOVERNOR

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April 30, 1993

The Honorable Frank R. Wolf
Transportation Subcommittee of the
House Appropriations Committee
104 Cannon House Office Building
Washington, D.C. 20515-4610

Dear Congressman Wolf:

Thank you for taking the time to hear our testimony during a Transportation Subcommittee meeting last month.

Oregon's transportation needs for FY 1994 are significant. A lot of thought has gone into developing these needs, and we believe they are critical to the future of our state.

Your question about whether or not areas that have demonstrated a notable local funding commitment should be given some priority was a very good one. While a local funding commitment is a critical piece of the puzzle, we want to emphasize that it should not be the only piece. Also important to the effective use of federal funds is the assurance that projects meet air quality, land-use, energy conservation, and long-range planning goals. All of our funding requests are for projects that strictly meet these criteria. These projects, which are included in our approved transportation program, have also undergone regular public scrutiny and have received significant local support.

The Honorable Frank R. Wolf
April 30, 1993
Page 2

We understand the difficult job you have of sorting out priorities for FY 1994 funding and appreciate your consideration of our requests. Enclosed are our answers to the questions you asked for the record at the hearing. We hope they will be helpful to you.

Please let us know if you need additional information.

Sincerely,

Barbara Roberts Michael P Holle

Barbara Roberts
Governor

Michael P. Hollern, Chairman
Oregon Transportation Commission

Enclosure

BR:MPH:cm

ANSWERS TO CONGRESSMAN WOLF'S QUESTIONS

1. *What organization would be the recipient of the federal funds requested?*

   The State of Oregon and the Oregon Department of Transportation (ODOT).

2. *How much money are you requesting from this subcommittee for FY 1994?*

   Approximately $273 million.

3. *What will these funds be used for?*

   The funds would be used for a range of critical transportation projects in Oregon, including operational improvements at Aurora State Airport and Chemult Airport; a major project on Interstate 5 that involves reconstruction of a 40-year old nine-mile stretch of roadway which has become a severe bottleneck; small urban areas transportation modeling funds; the second phase of a federal lands highways project started in FY 1993; safety and track improvements to Vancouver, B.C. to Eugene, OR high speed rail corridor; continued funding for the US 101 tri-state Pacific Coast Scenic Byway Corridor; continued funding of the Westside Light Rail Project; and bus acquisitions for Eugene and Salem with a transfer station in Salem.

4. *What is the federal purpose of the specific project(s) for which this organization is requesting funds from this Subcommittee?*

   The federal purpose in all of these projects is to maintain a partnership between the federal government and the states in providing for necessary transportation mobility and safety projects that ultimately affect the operation of the entire nation's transportation network. As mandated by the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), it is the federal government's responsibility to provide for a national transportation system that is economically efficient and environmentally sound. In response to a Oregon Legislative requirement, The Oregon Transportation Commission has developed a comprehensive, long-range plan, the Oregon Transportation Plan (OTP), for a multimodal transportation system for the state which encompasses economic efficiency, orderly economic development, safety and environmental quality. All projects for which we are requesting federal assistance are consistent with the OTP and are in the State's long-range transportation improvement plan; and all projects comply with federal and state environmental and land use regulations.

5. *What will be the ongoing federal operations at the facility or program once it is operational?*

   The ongoing federal operations expected for requested projects are those which normally occur in the federal programs for airports, interstate maintenance, federal lands highways, scenic byways and transit facilities. It is too early, as yet, to determine what the ongoing federal responsibility for high speed rail in the Northwest corridor will be, but we anticipate providing a 20 percent nonfederal match for any federal participation, consistent with the "level playing field" encompassed in ISTEA. We are looking forward to working with your Committee, Federal Railroad Administration (FRA) and AMTRAK, in determining the most appropriate long-term federal role in high speed rail.

6. *Are you requesting funds for non-construction purposes? If yes, what would these funds be used for?*

   Yes. The funds that we are requesting for small urban area modeling are non-construction projects. The funds will be used to develop and refine transportation planning models for small urban areas located throughout Oregon. The models will be developed in cooperation with cities and counties and will consider overall transportation needs for the next 20 years. Development of such small urban area planning models will be essential to implementing Oregon's Transportation Planning Rule which requires a decline in vehicle miles of travel per capita in set stages over the next 30 years.

7. *What is the total expected cost of the project(s)? What percentage of the total cost of the project(s) would be funded by the federal government?*

Project	Federal Share	Cost
Install Instrument Landing System and Construct Air Traffic Control Tower at Aurora State Airport	100%	$5.0 million
Construct enroute navigation aid (Visual Omni Range) at Chemult Airport	100%	$0.6 million
Reconstruct and widen section of Interstate 5 in Salem, OR	90%	$45.0 million
Development of small urban area planning models	80%	$2.25 million
Complete phase 2 of a continuing project to improve access to federal forest lands along the North Umpqua River	80%	$5.2 million
Safety and trackage improvements to Oregon's portion of the High Speed Rail Corridor from Eugene, OR to Vancouver, B.C.	80%	$45.0 million
Continued development and preservation of the 800 mile Tri-State Pacific Coast Byway from Eureka, CA to Olympia, WA	80%	$4.0 million
Activities necessary to ensure adherence to established construction schedule for Westside LRT project in Portland, OR	75%	$145.0 million
Buy buses for Salem and Eugene transit districts and build a transfer site in Salem	80%	$9.3 million

8. *How much state, local, or private funds will be used for this (these) project(s)?*

The amount of state, local or private funds that will be used for proposed projects reflects operative federal and state contribution standards. Proposed operational improvement projects at Aurora State Airport and Chemult Airport will be fully funded by the federal government. The state will contribute 10 percent of the cost to reconstruct and widen Interstate 5 in Salem, Oregon, from Silverton Road to State Street. Cities, Counties and the state will contribute 20 percent of the cost to develop small urban area transportation planning models. The state will contribute 20 percent of the cost to complete phase two of a continuing Public Lands Highways Program project to improve access to forest lands along the North Umpqua River. Reflecting Oregon's commitment to the development of high speed rail service in the state, Oregon's Legislature has been asked to provide $11.5 million in state funds. The state will provide the nonfederal share funds necessary to continue the efforts to develop US 101, the Pacific Coast Highway, from Eureka, CA to Olympia, WA as a national Tri-State Pacific Coast Scenic Byway. The state, Portland Metropolitan Planning Organization (METRO), and Tri-County Metropolitan Transportation District of Oregon (Tri-Met) have committed to providing the 25 percent share of the cost necessary to keep the Portland Westside LRT project on schedule. Local governments and transit districts will provide the nonfederal funds needed to acquire Eugene and Salem buses and construct transfer sites.

9. *For FY 1993, what is the total amount of federal funds that this organization received, and what activities were funded by these amounts?*

In FY 1993, ODOT was apportioned to receive $229.7 million of which $200.4 million is formula funds, $8.6 million is allocations for federal demonstration projects, $3.0 million is allocations for miscellaneous ISTEA programs, and $17.7 million is discretionary allocations for Interstate 4-R, highway timber bridge research, Public Lands Highways, highway use tax evasion, highway safety and scenic byways. A total of $75.3 million was approved for transit projects, including $68 million in Section 3 new start funds for the Westside LRT project.

10. *Has the project received federal funds in the past? In what fiscal years were those funds received and how much?*

Operational improvements proposed for Aurora State Airport and Chemult Airport are new projects and have not received past funding. The proposed Interstate 4-R project for Salem is the phase two component of a five phase Interstate 5 widening project.The Salem Bypass project which will contribute to the reconstruction and widening of I-5 in Salem is an ISTEA innovative project. The project was allocated $465,190 in FY 1992 and $1.12 million in FY 1993. Proposed small urban areas transportation models are new projects and have not received past funding. The proposed Federal Lands Highways project is the second phase of a project started in 1993. Phase one of the project received $5.2 million in federal funds. Proposed safety and trackage of the Oregon portion of the Eugene, OR to Vancouver, B.C. high speed rail corridor are a continuation of state and federal efforts to develop high speed rail service. Oregon received $250,000 of federal high speed rail funds in 1993. Proposed scenic byway projects and activities will continue the development of the 800 mile Tri-State Pacific Coast Scenic Byway. Oregon received $2.1 million in federal funds for planning and construction activities and projects in FY 1992 and $1.9 million in FY 1993. Oregon received $14 million in 1992 and $68 million 1993 for the Westside LRT projects. Salem received $2.8 in federal funds for new bus acquisition in FY 1986. Lane Transit District received an allocation of $2.1 million for new bus acquisition in FY 1990 and an allocation of $4.5 million for new buses in FY 1993. It received an allocation of $3.5 million for the Lane Transit transfer center in FY 1992.

11. *Are you seeking funds this year from any other federal source, or any other Appropriations Subcommittee?*

    Oregon is working with our Congressional delegation on a wide range of policy matters and projects which require a partnership with the federal government. These range from critical forestry and salmon fisheries investment issues to ongoing social and health issues and concerns and a wide range of economic development efforts in both our rural and urban communities.

12. *Will you be seeking additional funds from this Subcommittee or any other Appropriations Subcommittee in the future?*

    Yes. The Full Funding Agreement between Federal Transit Administration (FTA) and Tri-Met maps out a multiyear funding agreement for Section 3 transit funds for the Portland Westside LRT project. This agreement commits to federal appropriations in each of the next five years to complete this project. In addition, we will need further assistance from Congress in order to complete the improvements to the Salem section of Interstate 5 which is a priority project envisioned in ISTEA in Sec. 1069(t). It is quite likely that other projects in our long-range transportation plan will ultimately need some form of federal assistance. As always, we will continue to share our plans with you and look forward to your advice as we work together on economically efficient, environmentally effective and energy efficient solutions to key transportation problems and issues.

13. *Is your organization currently represented by any individual, law firm, lobbying firm, or other organization for the purpose of obtaining federal funds?*

    ODOT is represented by the Oregon firm of Ball, Janik and Novak. They assist us in working with federal agencies and with Congress. While they do help us regarding federal funding issues, they also provide a broad range of technical and general support. They advise us on transportation developments, ISTEA implementation issues, as well as other legislation which affects us such as the Clean Air Act, Americans With Disabilities Act, Motor Voter, environmental regulation and drunk driving and safety laws.

TUESDAY, MARCH 23, 1993.

FAIRFAX COUNTY BOARD OF SUPERVISORS; PRINCE WILLIAM COUNTY BOARD OF SUPERVISORS

WITNESSES

HON. JAMES P. MORAN, JR., A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF VIRGINIA

HON. LESLIE BYRNE, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF VIRGINIA

TOM DAVIS, CHAIRMAN, FAIRFAX COUNTY BOARD OF SUPERVISORS, VIRGINIA

KATHLEEN K. SEEFELDT, CHAIRMAN, PRINCE WILLIAM BOARD OF COUNTY SUPERVISORS, VIRGINIA

Mr. CARR. Our next witness will be Congresswoman Leslie Byrne and Tom Davis, the chairman of the County Board of Supervisors of Fairfax County. I would like to note that Congressman Jim Moran wanted to be here, and was in fact in the room, but there is a hearing of my other subcommittee that I am on with Congressman Moran that is being held down the hall. The Secretary of Commerce is there and I can appreciate his need to be there at the same time.

We do want to note, however, that he was here and prepared to support the testimony.

Please proceed.

Ms. BYRNE. Thank you, Mr. Chairman.

It is my opportunity, because Mr. Moran was otherwise engaged, to introduce your next two speakers, actually. These two people—and the one you will hear from first, supervisor Tom Davis, who is chairman of the Fairfax County Board of Supervisors, has been absolutely tenacious in looking for ways to improve the transportation not only for Fairfax County but for the region.

Both Tom and your next speaker, Kathleen Seefeldt, have listed their priorities and worked in tandem. I think it is quite unusual for two counties to start looking at their priorities in tandem and see where they can mesh. I think that kind of effort should be noted.

So without any further ado, I introduce the chairman of the Board of Supervisors at Fairfax County, Virginia, Tom Davis.

Mr. CARR. Before you start, I didn't realize that you were going to do this in tandem.

Ms. BYRNE. Kathleen Seefeldt is the chairman of the Prince William Board of Supervisors. As I said, both of these people have been, in my opinion, marvelous about pursuing every avenue to address the problems that we know are in northern Virginia.

Mr. CARR. Mr. Davis?

Mr. DAVIS. Thank you.

Good morning, Mr. Chairman and members of the subcommittee. May I begin by thanking Representative Byrne for being here today and thanking Congressman Moran and also wishing you and your ranking member, Frank Wolf, of whom we are particularly proud, every success in your new positions. Your sensitivity to the special needs of our county in the past is greatly appreciated.

Mr. Chairman, I request that the full written statement be reflected in the hearing record.

Mr. Carr. Without objection, your prepared statement will appear in the record.

Mr. Davis. Fairfax County is the largest local government in Virginia with more than 850,000 residents, making us equivalent to the size of the 11th largest city in the United States. The county encompasses some 400 square miles. We have 51 miles of interstate, 151 miles of primary roads, 2,270 miles of secondary roads, 6 Metro stations on two lines, the Virginia Railway Express serving two commuter rail routes of 20 and 30 mile lengths, and 99 Metrobus routes augmented by our Fairfax County connector system.

Transportation remains at the top of the list of concerns on the minds of northern Virginians. The 1990 Census data indicates that currently more than half of the county's residents work within Fairfax County. Nearly 75 percent of our population work in Virginia and only 20 percent work in Washington, D.C. Such cross-county commuter traffic begins with it difficult burdens for our road system and tremendous challenges for meeting this trend.

The inherent problems our county faces in competing for funds channelled through the State make it imperative to appear before you today to request appropriations targeted to our pressing needs that remain unfunded.

The highest priority project for both the county and the region for which we seek Federal funding is completion of the Fairfax County Parkway. This nearly 35-mile facility, with its 3.6 mile Franconia-Springfield spur, could be completed by 1997 if necessary funding for the final segments is secured. When complete, one will be able to drive directly from Route 7 in Reston in the northwest part of the county to Route 1 near Fort Belvoir in the southernmost part of the county.

The Parkway is our only cross-county highway. It has been 2 decades in planning and upon completion will provide a significant alternative to the Beltway for local and northern Virginia regional travel. Further, the Franconia-Springfield spur provides a vital link between the parkway and the Shirley Highway HOV lanes, and will access the new transportation center at Franconia-Springfield.

Mr. Chairman, I would underscore one critical aspect of this project. To date, the lion's share of funding for the Fairfax County Parkway has come from the county and with some help from the State. Few would argue with the compelling need for its timely completion. Its pollution mitigation benefits are significant; it will relieve the exponential growth of vehicular traffic on the Beltway and the county's secondary roads; and without a doubt it will dramatically improve the quality of life for our county and regional residents when complete.

The Parkway is part of the designation National Highway System, as will be reflected in our State's revised maps and has been approved as an integral element of the transportation improvement plan, now approved.

All environmental impact assessments are complete. With the funding we seek here today, swift completion of the Parkway can become a reality.

Accompanying our written submission is a map showing segments that are presently operational, under construction, and planned but unfunded, the subject of our testimony today.

In addition to funding for the Fairfax County Parkway, Mr. Chairman, I also urge the subcommittee to approve the full $212 million request for the Washington Metropolitan Area Transit Authority for its fast-track Metrorail construction program.

All the projects for which we seek your support are unfunded and not eligible for economic stimulus funds. They include various Fairfax County Parkway segments, which have been detailed in my prepared statement.

At the very top we have the Fairfax County Parkway from Route 7 to Baron Cameron Avenue, which is a $38.6 million segment; the completion of the I–66 interchange, which is $17 million; the Franconia-Springfield Parkway/Frontier Drive– Parkway interchange which is $15 million. That is critical for that spur because that is going to be our transportation system for the southern end of the county where the commuter rail, the Metro system, I–95, and the Fairfax Parkway all come together.

Finally, we have the Route 1 to I–95 spur at the bottom. That is $67.4 million, which includes $11 million in base realignment and closure program funds.

Those are the needs as we present them to you. I would be grateful for any help we can get. Just to answer your earlier question, we feel that the communities that contribute dollars should get priority. In Fairfax County, we have been the most proactive in the Commonwealth in providing local funding for transportation.

When we came into office a year ago, we took $250 million in approved funding for other projects and put them aside so that we could move forward with the more pressing transportation funding. We have had a bond referendum approved last year.

We submit these for your consideration. We are grateful for the attention we received today and for the help you have given us today.

[The prepared statement of Mr. Davis follows:]

TESTIMONY OF TOM DAVIS
CHAIRMAN, FAIRFAX COUNTY, VIRGINIA BOARD OF SUPERVISORS
BEFORE THE SUBCOMMITTEE ON TRANSPORTATION
U.S. HOUSE COMMITTEE ON APPROPRIATIONS
MARCH 23, 1993

Good morning Mr. Chairman and members of the Subcommittee. May I begin by wishing you and your Ranking Member Frank Wolf, of whom we are particularly proud, every success in your new positions. Your sensitivity to the special needs of our County in the past is greatly appreciated.

Fairfax County is the largest local government in Virginia with more than 850,000 residents, making us equivalent in size to the 11th largest city in the United States. The County encompasses some 400 square miles. We have 51 miles of interstate, 151 miles of primary roads, 2,270 miles of secondary roads, 6 Metrorail stations on two lines, the Virginia Railway Express serving two commuter rail routes of 20 and 30 mile lengths, and 99 Metrobus routes augmented by our Fairfax Connector system.

Transportation remains at the top of the list of concerns on the minds of Northern Virginians. We face significant challenges over the next decade as we endeavor to ease traffic gridlock and achieve a balanced mix of road and transit facilities. The 1990 Census data indicates that currently more than half of the County's residents work within the County, nearly 75 percent work in Virginia, and only 20 percent work in D.C. Such cross-County commuter traffic brings with it difficult burdens for our road system and tremendous challenges for meeting this trend. Further, as a Clean Air Act non-attainment area, we are working diligently to improve air quality as we fashion our transportation plans.

While the Intermodal Surface Transportation Efficiency Act (ISTEA) purports to bring local governments more fully into decision-making on the use of federal transportation funds, years of modal and geographic biases in our state have stymied our efforts to secure the funding we require for critical projects. We have, though, been persistent in our efforts to secure State funds for some projects, attract private and developer funding commitments, and gain voter support for ambitious bond projects through referendum.

The inherent problems our County faces in competing for funds channelled through the State, coupled with the way in which prior year Federal earmarks have constrained available discretionary grant funds, make it imperative to appear before you today to request appropriations targeted to our pressing needs that remain unfunded.

The highest priority project for which we seek federal funding is completion of the Fairfax County Parkway. The Parkway project has experienced as many stops and starts over the past quarter century as the thousands of frustrated cross-county commuters. This nearly 35-mile facility, with its 3.6 mile Franconia-Springfield spur, could be completed by 1997 if necessary funding for the final segments is secured. When complete, one will be able to drive directly from Route 7 in Reston in the Northwest part of the County to Route 1 near Fort Belvoir in the Southern-most part of the County. The Parkway is our only cross-County highway and runs roughly parallel to the Capital Beltway. It has been two decades in planning and upon completion will provide a significant alternative to the Beltway for local and Northern Virginia regional travel. Further, the Franconia-Springfield spur provides a vital link between the Parkway and the Shirley Highway HOV lanes, and will access the Franconia-Springfield Metrorail station.

This station, Mr. Chairman, is a shining model of what a multi-modal transportation center should look like. Construction crews broke ground in November on this final Metrorail station planned in Virginia and plan to complete their work by the Summer of 1997. This station, just Southeast of the Springfield Mall, will be part of a larger transportation center that will also link the Virginia Railway Express commuter rail system, a 3,200 space parking garage, and staging areas for buses and rush hour car pools. This transportation center will be accessible from both I-95 and the Fairfax Parkway.

Presently, segments near Franconia and Fair Oaks are open to traffic, and an $80 million County bond approved by the voters last Fall will finance two other segments from I-66 to Braddock Road and Route 123 to Hooes/Pohick Road. In February of this year, the Virginia General Assembly approved $181 million in State bonds for crucial highway and transit projects in Northern Virginia, including key interchanges at I-66, Route 50 and Route 29. With these pieces in place, we will have a continuous 25-mile road from Spring Street in Reston to Beulah Street in Franconia. This would leave only the ends of the Parkway incomplete and without funding. One end would connect Spring Street to Route 7 in the

North, and the other would provide a spur from Springfield to Route 1 in the South.

Mr. Chairman, I would underscore one critical aspect of this project. To date, the lion's share of funding for the Fairfax County Parkway has come from the County ($264 million) and State ($151 million). Few would argue with the compelling need for its timely completion. Its pollution mitigation benefits are significant, it will relieve the exponential growth of vehicular traffic on the Beltway and the County's secondary roads, and without a doubt it will dramatically improve the quality of life for our County's and region's residents when complete. The Parkway is part of the designated National Highway System as will be reflected in our State's revised maps, and has been approved as an integral element of the Transportation Improvement Plan now approved. All environmental impact assessments are complete, and with the funding we seek here today swift completion of the Parkway can become a reality.

Accompanying this testimony are maps showing segments that are presently operational, under construction, and planned but unfunded that are the subject of our testimony today.

In addition to funding for the Fairfax County Parkway, Mr. Chairman, I urge the Subcommittee to provide the full $212.0 million request of the Washington Metropolitan Area Transit Authority for its Fast-Track Metrorail construction program, as well as adequate transit operating and rail modernization assistance so critical to the carefully balanced funding plan agreed to by the area's jurisdictions.

Our specific funding requests are as follows (figures represent total federal and local funding required):

Fairfax County Parkway / Route 7 to Baron Cameron Avenue ($38.6 million).

- currently unfunded.
- four lane segment would complete the Northwestern end of the Parkway, and provide an important connection between the Route 7 and Dulles Toll Road corridors, linking development centers in Herndon and Reston with Route 7, the Dulles Toll Road and I-66.
- much of the planned development along this segment is residential. Approximately 80 percent of the necessary right-of-way and ancillary easements have been dedicated by developers, and the Reston Town Center has proffered a significant segment estimated to cost $6.1 million.
- right-of-way and construction plans are complete for the entire segment.
- cost estimates with at-grade intersection at Route 7:

Right-of-way	$6.8 m.
Utility	9.6 m.
Construction	22.3 m.
	$38.6 m. (in 1992 dollars)

Fairfax County Parkway / Completion of I-66 Interchange ($17.0 million).

- currently unfunded.
- last Fall's bond referendum was insufficient to fund the grade-separated interchange at I-66 and the Parkway. Completion of this element is essential if the Parkway is to reach its full potential of relieving other heavily congested corridors in the Fairfax Center area, and enhancing access to residential and development centers along the Parkway.
- if this interchange could be constructed concurrent to VDOT's planned late 1993 commencement of work on the I-66 widening and Route 50 HOV projects, significant cost savings could be realized.

- right-of-way and construction plans will be complete in the very near future.
- cost estimates:

Right-of-way	$7.5 m.
Utility	0.7 m.
Construction	8.8 m.
	$17.0 m.

Franconia-Springfield Parkway / Frontier Drive-Parkway Interchange ($15.0 m.).

- currently unfunded.
- present plans call for access to the new Franconia-Springfield Transportation Center through a grade-separated signalized intersection. Both Frontier Drive and the Franconia-Springfield Parkway will provide 6 travel lanes with additional ancillary turn lanes.
- data indicates that this at-grade intersection will operate satisfactorily until the Franconia-Springfield Metro station opens in 1997. With the opening, peak hour traffic conditions are projected to degrade and traffic conditions will continue to worsen with the anticipated new development and increasing densities in the area.
- to redress these problems, a conceptual interchange design has been prepared. However, no funds are available for final design, right-of-way and construction.
- if construction of this project is forced to await the opening of the Metrorail station in 1997, differences in grade will necessitate reconstruction of the Metro entrance roadway and multiple traffic shifts will be necessitated. The result will be increased construction costs, a lengthened project completion time, and inconveniences for those utilizing the Transportation Center. Reduced delay and vehicular idling also brings improved air quality.
- cost estimates:

Right-of-way	$ 5.0 m.
Construction	$10.0 m.
	$15.0 m. (in 1991 dollars)

Fairfax County Parkway / I-95 to Route 1 ($67.4 million).

- consists of two segments which comprise the Southern-most leg of the Parkway providing critical access to Fort Belvoir -- I-95 at Newington to Telegraph Road, and Telegraph Road to Route 1.

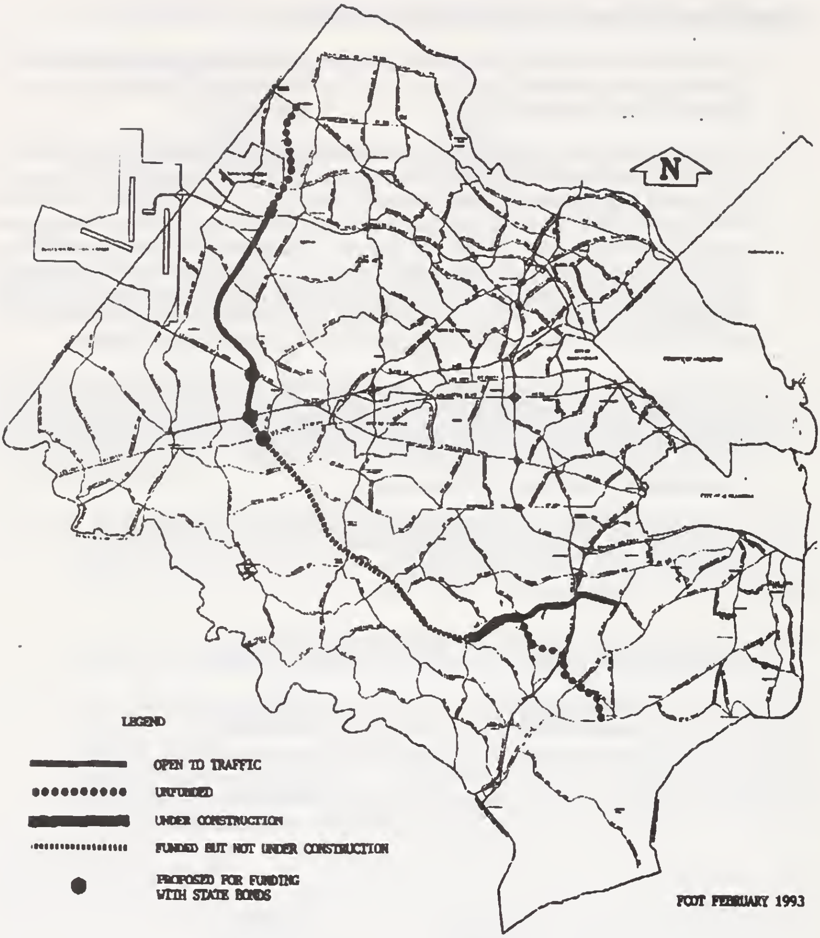
- the U.S. Army has indicated that $11.0 million in Defense Access Highway Funds will be requested to construct only the segment from Telegraph Road to Route 1. The recent restructuring of many military installations associated with the Base Realignment and Closure (BRAC) program will result in very significant changes at Fort Belvoir in the County. These will include the addition of some 4,500 employees at Fort Belvoir in 1995. Further, other Belvoir expansion plans are under review, and the Engineers Proving Ground is presently being considered for joint development. This will seriously impact existing roads in that part of the County, most of which are already heavily congested during peak commuting hours.

- The County has asked the Army to consider seeking additional funds beyond those already identified. Completion of the entire segment to I-95 at Newington is critical if traffic problems are to be addressed and a vital logistical link is to be established. In addition, the project would also provide access to the General Services Administration warehouse in Franconia.

- the project is ready for construction pending acquisition of right-of-way for which funding is not available at this time.

- cost estimates (includes $11.0 million in BRAC funding):

Right-of-way	$46.3 m.
Construction	21.1 m.
	$67.4 m.


N
LEGEND
OPEN TO TRAFFIC
UNFUNDED
UNDER CONSTRUCTION
FUNDED BUT NOT UNDER CONSTRUCTION
PROPOSED FOR FUNDING WITH STATE BONDS
FDOT FEBRUARY 1993

Mr. CARR. Mr. Wolf?

Mr. WOLF. Thank you, Mr. Chairman.

I want to welcome all the witnesses.

Where would this project appear on the State's priority list?

Mr. DAVIS. This is toward the top. Regionally this year the Commonwealth of Virginia was able to give us back some funding on recordation fees, and because the region—Arlington, Alexandria, Loudoun, Prince William, and Fairfax—came and listed this as one of our three regional projects. The money will be going into this and into a project in Prince William County and the Metro system.

So as a region, those are at the top of the list. The State priority is a little more skewed to try to figure where that is because it is a secondary road, but it is toward the top.

Mr. WOLF. Has the project been placed before the general public in the form of a bond referendum?

Mr. DAVIS. Yes, it has. It was approved with 75 percent of the vote last November with $80 million additional dollars for this.

Mr. WOLF. Thank you very much for taking the time to come up here.

Mr. DAVIS. Thank you for all the help you have given us, Congressman Wolf.

Mr. CARR. According to your testimony on page 5, you are requesting certain amounts, which are listed. You say those figures represent total Federal and local funding required?

Mr. DAVIS. Yes.

Mr. CARR. We need to have a breakout of where the local and Federal share——

Mr. DAVIS. Mr. Chairman, we have maxed out the local funding. That is the cost estimate. Locally, we have funded the other segments of this, so there is no current funding available that we can find locally or with the State at this point. So any bite we can get from the Federal Government for any one of these we would call a chewable bite we would be grateful. I don't expect to get all of this funded, but we have it broken down into individual bites where we would need an appropriation from one entity so that we could move forward and plan and fund.

Mr. CARR. In other words, on page 5 of your testimony, you say that the estimated cost of the Fairfax County Parkway is $38.6 million. Is that what you want from the Federal Government?

Mr. DAVIS. Yes, and that is for one segment. That one segment is $38.6 million. So as the committee looks at the priorities, in any one of these slugs is a part of that project we could complete. We have been completing this in pieces for the last 15 years. Any individual piece which could be funded would help us.

Mr. CARR. But in other words, the very first sentence on page 5 of your statement probably should be amended to read, "Figures represent total Federal funding required"?

Mr. DAVIS. Wherever we get the money—if we don't get it from the Federal Government, we are going to have to continue to look locally and State-wide for it.

Mr. CARR. What about "total non-local funding"?

Mr. DAVIS. That would be appropriate.

Mr. CARR. We will amend your statement. That is very important to those of us who need to know where dollars are coming from.

I am intrigued by the two paragraphs of your statement on page 2 where you talk about, "The inherent problems our county faces in competing for funds channelled through the State," and in the prior paragraph you say that "years of modal and geographic biases in our State have stymied our efforts to secure the funding we require for critical projects."

I can think of a few counties in Michigan who might be here saying the same thing, and it doesn't stretch my imagination to think about counties all over America who feel in some way that they aren't getting a fair shake from their State DOT's, et cetera. Is that something that this committee really ought to contend itself with?

Mr. DAVIS. I think you need to be aware of it. I think you need to understand that locally we are spending more than any other jurisdiction, not only on a per capita basis but also on a percentage basis of our capital projects for transportation. Mr. Chairman, 10 percent of our total general fund goes to capital construction and a significant amount to transportation. We can't spend anymore. We are at a 10 percent of our general fund limit on capital construction. I know that we move $250 million in programs out that we just couldn't do to make room for these projects.

So we are basically at the limit of what we feel we can do locally. We have worked with the State and received additional money there, but we are here as well.

Mr. CARR. Your local efforts are laudable, but nonetheless, should this committee be used as an end-runaround State decision-making?

Mr. DAVIS. I think it can be a supplement. I don't think it's meant to be an end-run. This is a major project and the region——

Mr. CARR. I understand. I don't want to be argumentative here, but we have a Federal system here in transportation—and particularly with respect to highway— we work through the States. States will generally approve our giving money to local units of government to do things. If it means more money and it doesn't cost them anything, they are willing to do it. But I question whether this committee should be the vent for the frustration of counties all over America because their State is not seeing their transportation needs quite the way they do. That causes me some concern.

Mr. DAVIS. I think that is a fair comment.

I would just note in terms of the Parkway, we have one segment here through Fort Belvoir, which I think is particularly appropriate with the increased development going on down there. I think it would be particularly appropriate for a Federal enhancement in that area.

Mr. CARR. Mr. Wolf, do you have any additional questions?

Mr. WOLF. That is on the base?

Mr. DAVIS. Yes. It is right through the base. And that is one of the segments we have outlined here.

TUESDAY, MARCH 23, 1993.

PRINCE WILLIAM COUNTY BOARD OF SUPERVISORS

WITNESS

KATHLEEN SEEFELDT, CHAIRMAN, COUNTY BOARD OF DIRECTORS, PRINCE WILLIAM COUNTY, VA

Mr. CARR. Ms. Seefeldt?

Ms. SEEFELDT. Good morning, Mr. Chairman. Congratulations on your chairmanship. I wish you well.

Mr. CARR. Thank you.

Ms. SEEFELDT. Also good morning, Mr. Wolf. We appreciate your assistance in getting us to this table last year and then again this year.

If I could borrow Chairman Davis' map for just a second, our county shares the southern border, generally, with Fairfax County. The Occoquan River is the boundary. We have about 230,000 people.

We have submitted some testimony for the record that I would like to have entered.

Mr. CARR. Without objection, your prepared statement will appear in the record.

Ms. SEEFELDT. I would like to call your attention to attachment A. This shows the outline of Prince William County. What we are doing in this project is actually creating a new cross-county connector that links I–95 with I-66, which sort of swoops though the middle of the page.

You can see on that attachment that $116 million of this cross-county connector is fully funded. The Horner Road interchange is down on I–95 and it goes to bid next month.

The dotted line is essentially the Parkway that is either finished or under construction at this time. The rest of the list tells you about the rest of the segments.

The second attachment—by the way, I should also say that there is about $95 million of locally approved bond money in this new cross-county connector.

Attachment B highlights the point that we thought was important to make before this committee, and that is the fact that the 234 Bypass is going to alleviate what has been identified by AAA as the ninth worst stretch of road in northern Virginia. Existing 234 goes from the edge of the city of Manassas out to 66, about 2.6 miles carried as of 1992 over 39,000 vehicles a day, yet it is the ninth worst stretch of road in terms of the safety considerations.

Attachment C shows you what we are doing in tandem with Chairman Davis in Fairfax County. The dotted line semicircle represents the Fairfax County Parkway. The dotted line represents the Prince William Parkway. You can again see the 95 to 66 connection. You can see that we're interested also in very effectively improving our circumferential movement across our county. Tom has already pointed out that the work trips are really dictating the kind of focus and direction.

Attachment D highlights for your information the fact that the $9.6 million we are here requesting this year will unlock more leverage, about $95 million, in private sector money. The reason is that we have created a transportation taxing district in the general vicinity of the 234 Bypass. We were allowed to do this by special legislation from the General Assembly several years ago. It was kind of polished up and improved with a series of bills that were introduced and signed by the Governor this year.

So the key to really finishing this vision lies with some Federal money to complete the interchange with I–66. The interchange is estimated at $16 million. Special taxing district has a condition attached to it that we cannot really start selling the bonds and trigger the $95 million until the interchange is fully funded. So there is an important linkage between all the varied efforts we have made and the different funding streams we are using.

Having said that, Mr. Chairman, I am going to stop with just a final comment to reinforce the cooperative approach that northern Virginia has taken in the last year and a half to identify and agree on three priority projects. You have heard about all three of them.

I appreciate the opportunity to be here and I will try to answer any questions you might have.

[The prepared statement of Ms. Seefeldt follows:]

MARCH 23, 1993
PREPARED REMARKS
KATHLEEN K. SEEFELDT, CHAIRMAN
PRINCE WILLIAM BOARD OF COUNTY SUPERVISORS

Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to appear today. My name is Kathleen Seefeldt, and I am the Chairman of the Prince William Board of County Supervisors. We are a community of approximately 230,000 people, 25 miles southwest of Washington.

On behalf of the Board, I would like to congratulate you as the new Chairman and invite you to visit our community when your schedule permits.

Mr. Chairman, I am seeking $9.6 million in federal demonstration funds for an interchange with the proposed Route 234 Bypass and Interstate 66. Last year, you approved an initial appropriation of $2 million for this project. That appropriation helped us secure $4.4 million in state funding for right-of-way acquisition. We are seeking $9.6 million in federal demonstration funding for the balance of this $16 million interchange.

Mr. Chairman, I would like to give you six reasons to support this project:

- Planning. This expenditure is part of a $246 million road improvement program in Prince William County. Just over 60% of this program is funded today and federal assistance will leverage considerable additional funding. (See Attachment A)

- Safety. The Route 234 Bypass is a major reliever for Sudley Road. The American Automobile Association this year designated Sudley Road as one of the 10 most dangerous highway segments in the Washington Metropolitan Area. The Route 234 Bypass will remove through traffic from Sudley Road and substantially enhance automobile safety on Sudley Road. (See Attachment B)

- Regional Circumferential Movement. The Route 234 Bypass facilitates the circumferential movement which is so lacking in Northern Virginia today. The Fairfax County Parkway, the Prince William Parkway, and the Route 234 Bypass will serve the critical suburb-to-suburb commuting patterns in Northern Virginia. (See Attachment C)

- **Local Connector.** The Route 234 Bypass is a critical link between I-95 and I-66. Completion of these highway improvements will bring these population and employment centers closer together.

- **Economic Development.** The Route 234 Bypass will serve the most important commercial and industrial corridor in Prince William County. Current employers include IBM, Atlantic Research, and numerous vibrant small businesses. The Bypass will link I-66 to an existing commuter rail station and the Manassas Municipal Airport, the busiest general aviation airport in Virginia.

- **Private Sector Support.** Commercial and industrial land owners in this area have agreed to an additional real estate tax surcharge of 20 cents per hundred dollars of assessed valuation. These tax revenues can be used to support up to $95 million in state contract revenue debt. However, the land owners have insisted that the interchange be fully funded before they will agree to these higher taxes. In effect, Mr. Chairman, an investment of $9.6 million by Congress will unlock an additional $95 million in privately financed state debt. (See Attachment D)

Mr. Chairman, the Route 234 Bypass has been extensively reviewed. It has been the top County road priority for nearly twenty years. Local voters approved $10 million in bonds in 1988. It is one of three top Northern Virginia transportation priorities, as determined by the Transportation Coordinating Council, an assemblage of state and local elected officials appointed by the Governor. Based on these priorities, the 1993 Virginia General Assembly appropriated $31 million for the Route 234 Bypass in FY 94. An additional $23 million is proposed for FY 95. However, the interchange remains unfunded.

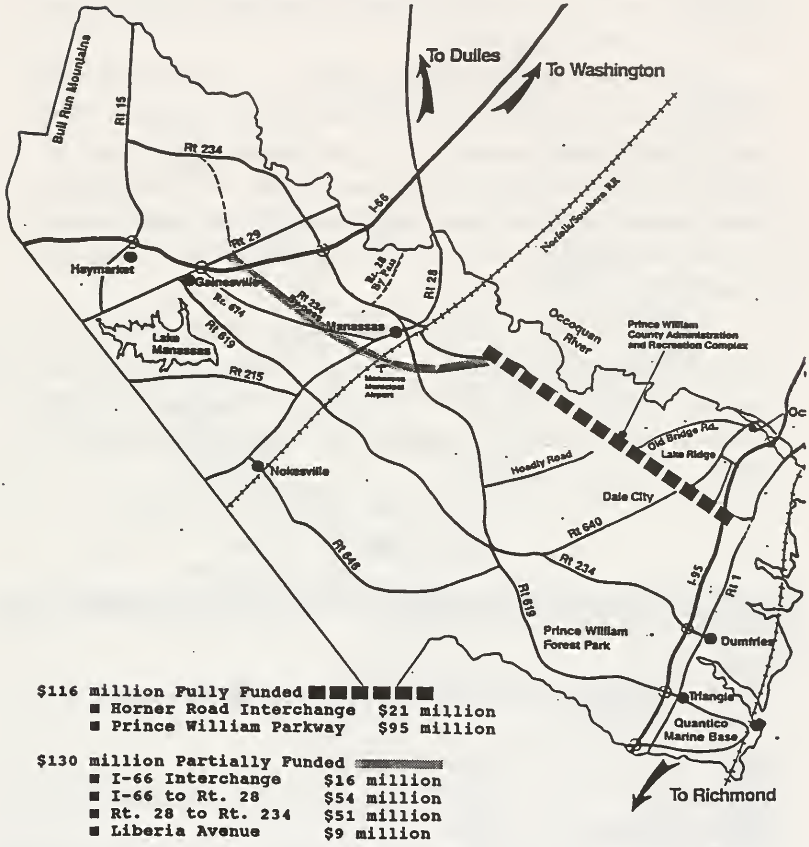
Finally, Mr. Chairman, this Subcommittee last year reviewed the record and determined a need for $2 million in demonstration funds for this project. I hope you will act in a similar fashion this year.

I will be happy to answer any questions.

I appreciate the courtesies of this subcommittee and look forward to working with you in the coming year.

Attachment A

PRINCE WILLIAM COUNTY



$116 million Fully Funded ■■■■■■

- Horner Road Interchange $21 million
- Prince William Parkway $95 million

$130 million Partially Funded ▨

- I-66 Interchange $16 million
- I-66 to Rt. 28 $54 million
- Rt. 28 to Rt. 234 $51 million
- Liberia Avenue $9 million

Attachment B

AAA 1992 SURVEY OF TOP 10 WASHINGTON METROPOLITAN ACCIDENT CORRIDORS: DRIVER ERROR CITED BY AREA POLICE AS PREDOMINANT CAUSE OF ACCIDENTS

AAA Potomac will announce at a press conference on Tuesday, November 17, the results of its 1992 survey of the Top 10 Washington Metropolitan Accident Corridors. The corridors are ranked according to accidents per hundred million vehicle miles traveled (hmvmt).

Of the top 10 corridors cited in this survey, Arlington County had the greatest number of dangerous corridors in Northern Virginia, and Charles County had the most in suburban Maryland. The #1 most dangerous corridor listed has an accident rate nearly 15 times that of those corridors tied for the #10 spot. The #1 corridor also had an accident rate 17 times that of the highest accident rate found on the Beltway (on Route 120 from Route 395 southbound to Shirling Road).

The Top 10 high-risk corridors in Virginia and Maryland, listed here in descending order by accident/injury rate, were selected from primary roads that carry at least 10,000 vehicles daily. AAA officials then gathered data on the causes of accidents for the corridors from area police. (See sources on page 8.)

-more-

AAA Potomac, a fully tax paying not-for-profit organization, serves the District of Columbia, Suburban Maryland and Northern Virginia. Its objective is to improve motoring and travel for the public at large and to provide 654,000 local AAA members with travel, insurance, financial and auto-related services.

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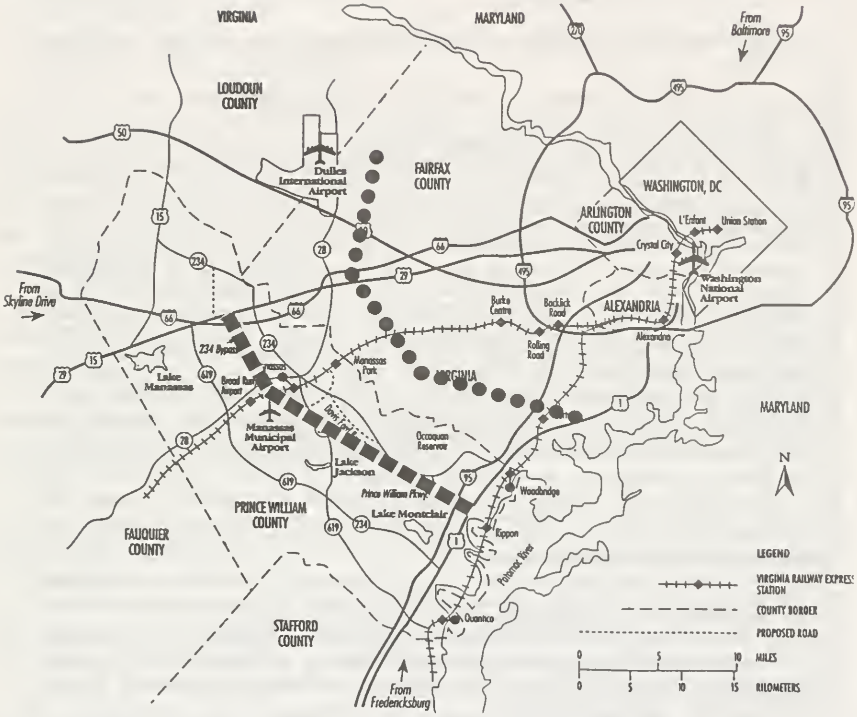
9. ON ROUTE 234 (SUDLEY ROAD) FROM NORTHERN COUNTY LINE MANASSAS TO ROUTE 66

COUNTY:	PRINCE WILLIAM (MD)
LENGTH:	2.61 miles
TOTAL ACCIDENTS:	333
PERSONS INJURED:	182
AVERAGE DAILY TRAFFIC:	39,470
ACCIDENT RATE:	886/hmvmt

TOP THREE CAUSES OF ACCIDENTS:

1. Driver did not have right-of-way
2. Driver inattention
3. Following too closely

Attachment C



●●●●●●●● Fairfax County Parkway

■■■■■■■■ Prince William Parkway/Route 234 Bypass

Attachment D

1993 SESSION

LD7358633

SENATE BILL NO. 673

Offered January 21, 1993

A BILL to amend and reenact § 2 of Chapter 710 of the Acts of Assembly of 1990, relating to the issuance of Commonwealth of Virginia Transportation Contract Revenue Bonds to finance the cost of State Route 234 Bypass in Prince William County from State Route 649 to Interstate 66.

Patrons—Colgan, Barry, Chichester and Saslaw; Delegates: Brickley, Marshall, Parrish and Rollison

---

Referred to the Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That § 2 of Chapter 710 of the Acts of Assembly of 1990 is amended and reenacted as follows:

§ 2. A. Subject to the preconditions set forth herein below in subsection B, the Commonwealth Transportation Board is hereby authorized, by and with the consent of the Governor, to issue, pursuant to the provisions of §§ 33.1-267 through 33.1-295 of the Code of Virginia, at one time or from time to time, bonds of the Commonwealth to be designated "Commonwealth of Virginia Transportation Contract Revenue Bonds, Series...," in an aggregate principal amount not exceeding $95,000,000 to finance the cost of the project plus an amount for the issuance costs, reserve funds, and other financing expenses. The proceeds of such bonds shall be used exclusively for the purpose of providing funds, with any other available funds, for paying all the costs incurred or to be incurred for construction of State Route 234 Bypass in Prince William County from State Route 649 to Interstate 66, including an interchange at State Route 28, consisting of the acquisition and construction of roadways and related improvements (the "project"). Such cost may include the payment of interest on such bonds for a period during construction and not exceeding one year after completion of construction of the project.

The Commonwealth Transportation Board may choose to finance and construct the project in phases. The Commonwealth Transportation Board may choose to finance and construct priority segments of the project and priority elements of the project as part of a phased financing and construction plan.

Such revenue bonds shall be issued by the Commonwealth Transportation Board and sold through the Treasury Board, which is hereby designated the sales and paying agent of the Commonwealth Transportation Board with respect to such bonds.

B. The authority granted herein shall not be construed to obligate the Commonwealth Transportation Board to a specific allocation of funds to the project and is expressly contingent upon the fulfillment of the following conditions as determined by the Commonwealth Transportation Board:

1. ~~the~~ *The* establishment of a Route 234 Bypass Primary Highway Transportation Improvement District or a Transportation Service District by ordinance of the County of Prince William, or implementation of an alternative mechanism for generation of local revenues for specific funding of said project as permitted by law and satisfactory to the Commonwealth Transportation Board;

2. ~~completion~~ *Completion* of all required procedures for the establishment of the alignment of the Route 234 Bypass;

3. ~~provision~~ *Provision* of funds for the construction of a new interchange at the intersection of Interstate 66 and the Route 234 Bypass from other sources concurrently with the Route 234 Bypass, which is being funded pursuant to this Act;

4. ~~the~~ *The* finding by an independent consultant to the Commonwealth Transportation Board that the anticipated tax proceeds from the district and any other local revenues are adequate with other available funds to support the debt issued for the project; and

5. ~~the~~ *The* approval of the design and other terms of the contract between the

Mr. CARR. Thank you very much. We appreciate your testimony.

The 234 Bypass interchange with Route 66—how far is that spaced from the Route 29/Route 66 interchange?

Ms. SEEFELDT. The existing interchange is at existing 234. The next interchange to the west is identified on attachment A as Gainesville. That is about 4 miles.

Mr. CARR. That is 4 miles from the proposed interchange to the Gainesville exit?

Ms. SEEFELDT. That is correct.

Mr. CARR. Mr. Wolf?

Mr. WOLF. Thank you, Mr. Chairman.

Welcome to the committee.

This project was recognized last year in our bill, but I also think the record should reflect that it was formerly tied up through the efforts of our former colleague, Mr. Mrazek, who had been very instrumental in including language. Good things came out of that in the past, but a lot of impact was felt in the county because there was a period of time when the interchange was delayed. How long a period of time was that?

Ms. SEEFELDT. It was from 1988 until last year.

Mr. WOLF. Also there is scheduled to be a bypass eventually around the Manassas Park, the battlefield, which would eventually hook into this. The desirability of the Manassas Battlefield legislation that passed the committee and then passed the Congress did several things, including calling eventually for a study of the closing of the roads that intersect the park. Right now there is heavy commercial truck traffic through the park.

This has all been so intertwined with what this Congress has done both in this committee and also in the Parks and Recreation Committee, and also by an act of Congress by both the House and the Senate.

I want the record to show that this is not just an isolated project, but that it was directly impacted for a period of time in a very negative way, but hopefully in the future in a very positive way.

I thank the chairman for her testimony. You make a good case.

Ms. SEEFELDT. In response to one of your earlier questions, I think self-help always needs to be rewarded strongly.

Mr. CARR. Thank you. It is nice to hear from all of you again.

Ms. SEEFELDT. Thank you, Mr. Chairman.

TUESDAY, MARCH 23, 1993.

GEORGETOWN UNIVERSITY

WITNESSES

REVEREND WILLIAM L. GEORGE, S.J., SPECIAL ASSISTANT TO THE PRESIDENT

SAM ROMANO, PROGRAM DIRECTOR FUEL CELL BUS PROGRAM

Mr. CARR. Our next witness will be Father George, special assistant to the president of Georgetown University.

Reverend GEORGE. Good morning, Mr. Chairman, committee members, and staff. Thank you for the opportunity to testify.

I am Father George, assistant to the president of Georgetown University. With me is Mr. Sam Romano, our program director. If you have questions that deal with the program, he can probably answer better than I can.

I want to thank the committee for its support in the past. The exciting news is that we expect the first fuel cell bus to roll out in September.

It is fascinating what these buses do. I understand that it takes 250 of these buses to bring out as much hydrocarbon as one diesel bus. No particulates come out of a fuel cell. I find it exciting that we can do that and have buses that actually fit the white book requirements of the Federal Transit Administration.

We are asking the committee to provide $2.5 million to finish the final three prototypes and the test program, which includes things like spare parts and making sure that they do what they are supposed to do. Then we wanted to ask the committee to consider what was started last year in providing some funding for building the industry to produce the buses.

We were hoping that the committee would consider $12 million for those non-recurring costs that would begin to develop the fleet of buses developed by industry and Corporate America, which is really what we need.

That is basically what I want to thank you for and hope for.

Thank you, Mr. Chairman.

[The prepared statement of Rev. George follows:]

Subcommittee on Transportation
Committee on Appropriations
March 23, 1993

Mr. Chairman and members of the Committee, we are Rev. William L. George, S.J. and Rev. T. Byron Collins, S.J., assistants to the president of Georgetown University. Thank you for the opportunity to testify on the subject of the Fuel Cell Bus Program. We would like to congratulate the Committee for having the foresight to sponsor the innovative Fuel Cell Bus Program. It stands as an exemplar of the new technologies that President Clinton has proposed to use in dealing with our nation's problems.

We would like to thank the Committee for the continuing support of this vital fuel cell powered bus program in two areas. First your support for the continuation of the Phase II effort which will result in the roll-out of the first of these advanced buses as scheduled in September of this year. And if all goes well, we also expect to display the first bus at the American Public Transit Association (APTA), International Public Transit Expo '93 in New Orleans in October. Equally important, your support for the non-recurring engineering and tooling costs that will allow the fuel cells for the production version of these buses to be produced in the United States is appreciated. This is a positive step in bringing back to the U.S. the advanced technology which originated here and it will create much needed manufacturing jobs.

Continuation of the Fuel Cell Bus Prototype

We request the Committee to provide $2.5 million in FY'94 for the continuation of the Phase II Fuel Cell Bus Prototype effort and the start of the Phase III test program. To date the committee has appropriated approximately $6.0 million for this effort which has resulted in the design and development of the three advanced fuel cell powered transit buses to be delivered in the current Phase II program. The testing program, Phase III will require an additional $1.0

million in FY'95 to complete.

Tests and analysis to date indicate that these first generation buses will perform as expected and that the production units will exceed performance offered by current diesel powered buses in terms of near zero emissions, fuel economy, passenger acceptance and life cycle costs. We expect the testing of these buses will provide all the data we need to allow us to go into production for buses that will meet the needs of any public transit agency.

Domestic Fuel Cell Commercialization Program

We also ask the Committee to provide $12 million in FY'94 to continue the funding provided in FY'93 of $5.1 million for the non-recurring costs required to produce a U.S. designed phosphoric acid fuel cell system for these buses. The fuel cells to be used for the first three buses in the Phase II program, while initially designed in the U.S. have been licensed and built in Japan. The time phasing of this effort will allow us to use U.S. built fuel cell systems for the next buses to be built for the fleet testing program. This program will have buses operating in several transit properties across the country. Attached is the multi-year program for the U.S. produced Fuel Cell Bus System.

Again, as we mentioned in our FY '93 testimony, this bus program is the pathfinder program for the application of fuel cells for transportation and has given us a significant worldwide lead. We have already been informed that transit properties in many states wish to place an order for these bases as soon as possible. Your continued support for this program will allow us to maintain that lead and perhaps open up opportunities to export these buses to other countries where environmental problems are even more severe than those in our country.

On behalf of Rev. Leo J. O'Donovan, S.J., President of Georgetown University, we thank you for the opportunity to testify.

U.S. PRODUCED FUEL CELL BUS SYSTEM

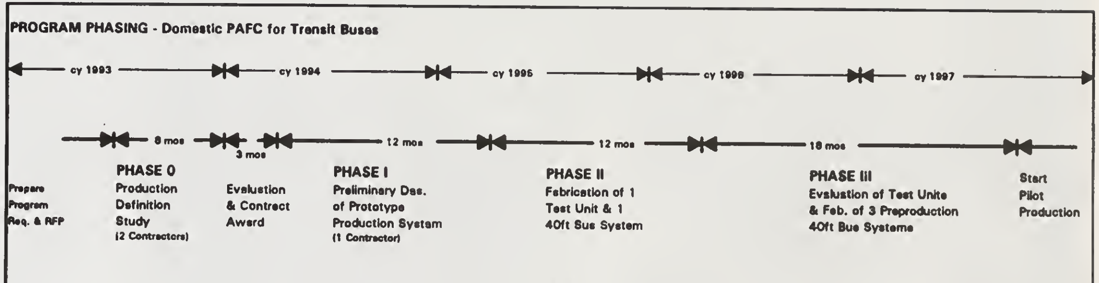

PROGRAM PHASING - Domestic PAFC for Transit Buses
cy 1993
cy 1994
cy 1995
cy 1996
cy 1997
8 mos
3 mos
12 mos
12 mos
18 mos
Prepare Program Req. & RFP
PHASE 0
Production Definition Study
(2 Contractors)
Evaluation & Contract Award
PHASE I
Preliminary Des. of Prototype Production System
(1 Contractor)
PHASE II
Fabrication of 1 Test Unit & 1 40ft Bus System
PHASE III
Evaluation of Test Units & Fab. of 3 Preproduction 40ft Bus Systems
Start Pilot Production

FIGURE 1

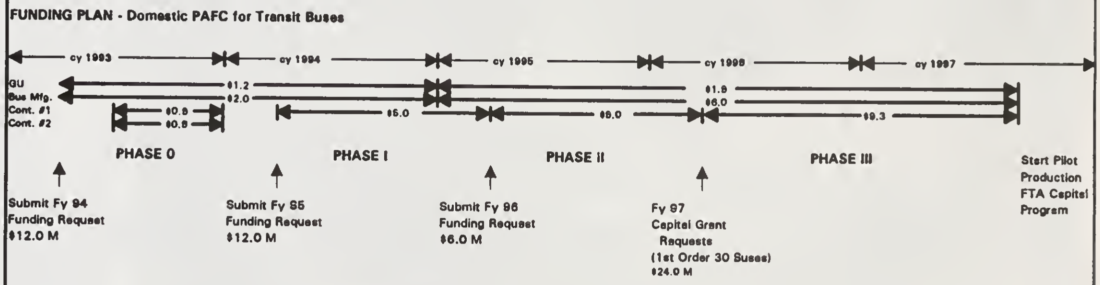
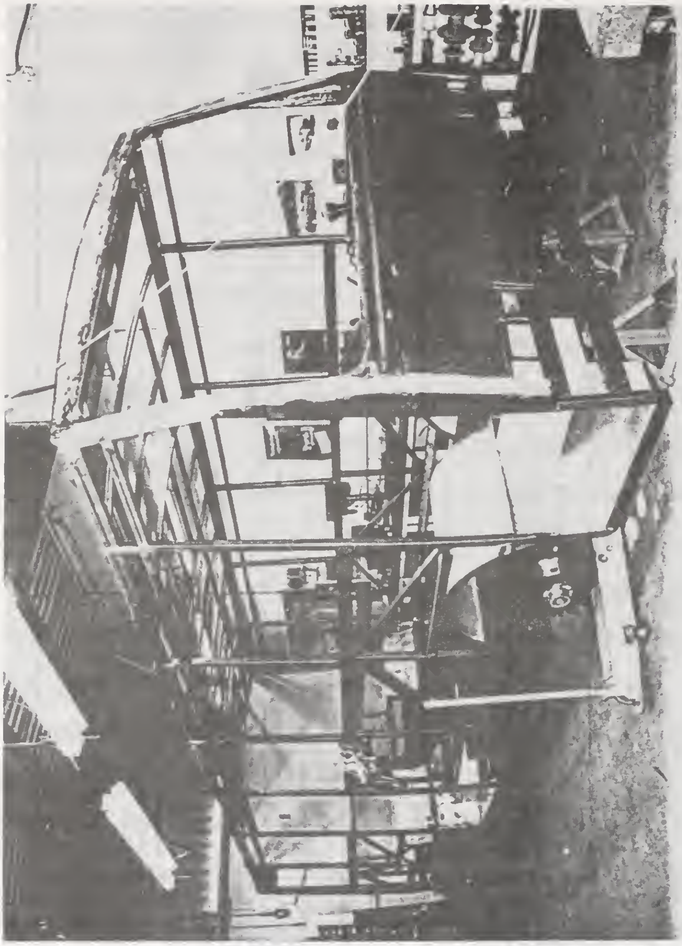
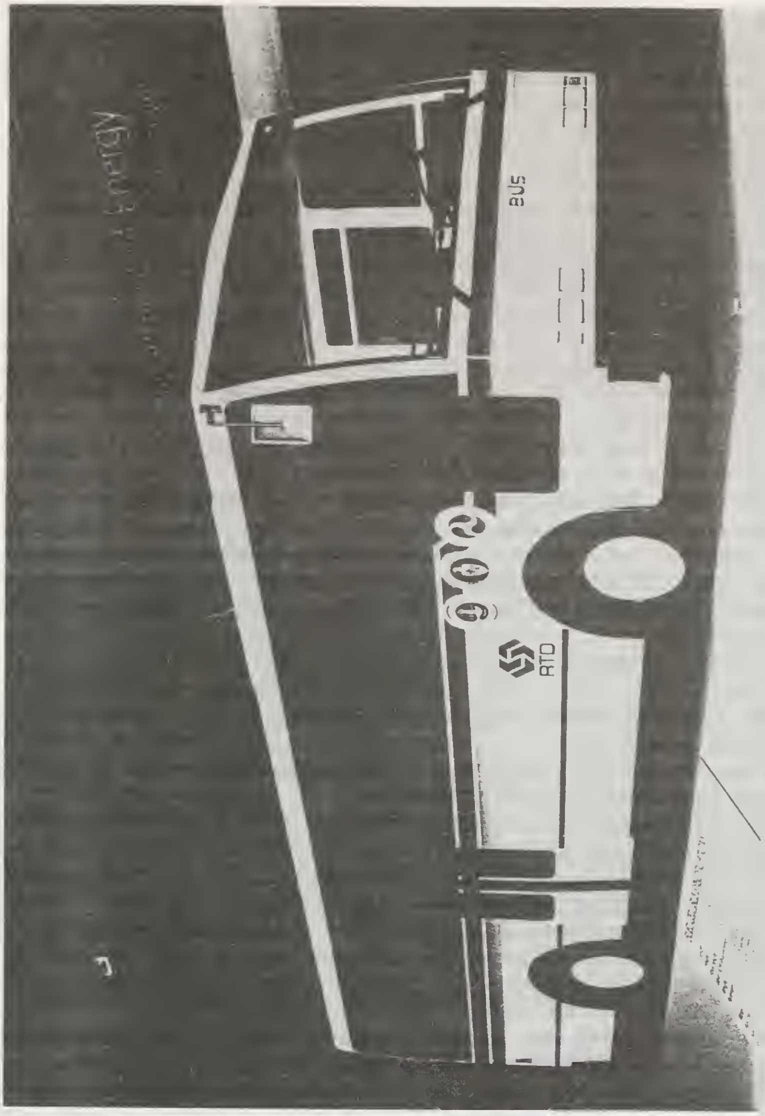

FUNDING PLAN - Domestic PAFC for Transit Buses
cy 1993
cy 1994
cy 1995
cy 1996
cy 1997
GU
Bus Mfg.
Cont. #1
Cont. #2
$1.2
$2.0
$0.8
$0.8
$6.0
$6.0
$1.9
$6.0
$9.3
PHASE 0
PHASE I
PHASE II
PHASE III
Submit Fy 94 Funding Request $12.0 M
Submit Fy 95 Funding Request $12.0 M
Submit Fy 96 Funding Request $6.0 M
Fy 97 Capital Grant Requests (1st Order 30 Buses) $24.0 M
Start Pilot Production FTA Capital Program

FIGURE 2

RRW/3/17/93



30 Ft. Fuel Cell Bus on Fabrication (February 1993)



30 Ft. Fuel Cell Bus Prototype (model)

Mr. Carr. Thank you, Father.

You say in your testimony on page 2 that while initially designed in the U.S. the program has been licensed and built in Japan.

Reverend George. Not the program. When we started this program, we were the Englehart Corporation, which had the fuel cell patents. Because they didn't have the funds to continue that program, they sold and licensed those patents to Fuji in Japan. So Fuji will supply the first fuel cell stack for the first three buses.

Fuji has then in turn relicensed back to H-Power Corporation those patents. H-Power will then—if the program goes as scheduled—be producing the fuel cells and building the stacks. We are excited that right now the first three will be 85 percent American-made buses, except for the stacks, which will be put together in New Jersey. In the future, they will be all American-made. When I first started this off, we wanted it all American-made, and now we're back to it.

I guess it was economics, but fortunately we have the bus working.

Mr. Carr. You say that these are built in New Jersey?

Reverend George. No, the stacks. The first fuel cell buses will be put together by BMI in California. That is where the contracts are right now. So the stacks—like the engine—will be assembled in New Jersey. Then the buses will be put together and manufactured in California.

I have a picture of what they look like. It looks like a normal bus.

Mr. Carr. For the record, I am looking at a picture of a 30-foot fuel bus prototype.

It shows the RTD logo on it from California. Is that promotional, or are they tied into this project?

Reverend George. California has put in $2.8 million into the program through the Department of Energy. It is jointly funded by the FTA and the DOE, with the DOE handling the energy component and FTA handling the actual transportation mode of it.

One of the interesting things about these buses is that they can handle methanol, ethanol, natural gas, and hydrogen. And it fits the white book. You aren't limited in your range. You just dump the water and fill the tank.

Mr. Carr. Give me in some detail, please, the relationship of Georgetown University to this project.

Reverend George. Sam has brilliantly managed—with a little help from me—two agencies, a number of companies, and worked with the transit industry to ensure that we get a practical bus that works. Sam originally worked for General Motors years and years ago, and then got into the advanced energy efficient and clean creative type of transportation issues.

What the university did was to manage those very divergent interests so that we came out with an actual bus. You might have still been studying the Department of Energy and FTA wasn't really into developing practical research products. That was one of the complaints the committee had years ago, that they weren't really using their research capacity to get things on the road.

Originally, I wanted a fleet for Georgetown because our old Mercedes diesels were wearing down and we had cannibalized so many of them, we couldn't even get parts for them. We saw that the Federal Government was interested in clean vehicles in theory. We asked the committee if it would consider really studying this to see if there was something practical that could be done to work cleanly.

It doesn't look as if we're going to get a fleet of it, because there are only going to be a few buses right now. We are within the original budget that we anticipated, even though we are 2 years late because of bureaucracy we had to work through.

But our interest then switched to something a little more idealistic, that if we could create the first clean buses we would do something for our world. That is what kept me in it. We could have bought $60,000 diesel buses years ago and just ended this, but it is important. I think we will have an actual vehicle on the road and we will prove to some of the doubting Thomases that you can build a bus that can climb as high as it is supposed to, can go as far as it has to, can go as fast, and be as safe.

So that is how we got involved. We are basically managing all those divergent pieces that could have gone in a lot of directions.

Mr. CARR. Is there any research involved in this that is part of the Georgetown scientific research?

Reverend GEORGE. No, we're not a research institution as such. We are just a fine liberal arts institution. The purpose of a liberal education is to free a mind so that it can think for itself and find its own solutions. You learn history so you don't make the same mistakes. You study philosophy so you don't make the same mistakes and realize that we make progress in how we think about living. Geography—whatever.

We had a problem. Originally, we needed buses. How can you creatively justify working towards a fleet? We met our needs with the Federal Government's needs. That is how we got started, in trying to solve a problem practically. We didn't have the resources ourselves, but we knew where to go to find the answers.

There was a lot of research that nobody was doing anything with. Researchers were off to future research. We found that they had solved the problem intellectually, but had not really gotten it from the shelf into the real world to solve a problem that we have. We took that and did something with it.

Mr. CARR. So Georgetown University is in the nature of a systems integrator contractor?

Mr. ROMANO. Just as managers. Yes, that is correct.

Mr. CARR. Does the university take any of the money for overhead?

Reverend GEORGE. Over the years we have taken about $2 million and provided about $250,000 match. Over the years, since 1987. We could have probably bought the buses for less. [Laughter.]

Mr. CARR. So from 1987 to today, how much have you had appropriated?

Reverend GEORGE. From this committee, about $6 million.

Mr. CARR. And the university has matched some of that?

Reverend GEORGE. We have put up about $300,000 of contributions out of the overhead.

But $6 million didn't go to the university. Over the years, $2 million came to the university in the form of paying for the people involved in the usual things.

Mr. CARR. Basically, the systems contract manager fee was $2 million? From 1987 to present?

Reverend GEORGE. That's correct. The project cost over those years has been around $16 million over those 7 years. The Department of Energy has put up the rest, and there has been a 25 percent match from the companies that bid. In part of the bid package, we demanded that there be a match. You can say that about 25 percent was matched over the years.

Mr. CARR. Of the $16 million, 25 percent?

Reverend GEORGE. Yes. And of that, we have pulled in about $2 million in overhead.

Mr. CARR. And what is Georgetown doing for its bus needs?

Reverend GEORGE. Right now, we are driving Fords. They are smaller, but that is what we needed to do.

Mr. ROMANO. Mr. Chairman, you asked about the RTD logo on that bus. We are having three buses built, the first to roll out in September and the next following very shortly. Of those three buses, one will go to Los Angeles for evaluation, one to Washington for evaluation, and one to Chicago. Those three buses will be the prototypes of what we are looking for as a fleet of buses.

Los Angeles thinks this is the right project and they would like to be part of the program in looking for a small fleet to evaluate.

Mr. CARR. Who currently holds the patents?

Mr. ROMANO. The Department of Energy has some of the basic patents on the fuel cell. As Father George said, Englehart was the source of those patents. They were working partly under Government contracts and partly under private money. They sold their license to Fuji, so Fuji is building them under license to Englehart. I think also some of the U.S. patents might be allowed to be used by Fuji.

What we are trying to do with this program is to bring that back to the U.S. We want to get that technology back here and we want to have a U.S. manufacturer make these fuel cells for future buses. Even though the first three will be Fuji fuel cells, we want the next batch to be U.S.-produced.

This program is designed to bring the technology back to the U.S.

Mr. CARR. The Federal Government holds some patents in this?

Mr. ROMANO. Yes. Some of the Englehart work was cost-shared work in working for NASA and the Department of Defense. I am not sure the extent to which the Federal Government holds the patents. Some of the technologies were developed with Federal funds and the U.S. has the rights to the data on those patents.

Mr. CARR. It would seem that with so much Federal support for this that——

Mr. ROMANO. I am sorry. This is the previous program.

Mr. CARR. I understand, but I am talking about now.

What is the financial arrangement now? The Federal Government is giving money through you to Englehart to build——

Mr. ROMANO. Giving money to the prime contractors. Englehart is no longer involved. They got out of it——

Mr. CARR. Who is the prime contractor?

Mr. ROMANO. H–Power in New Jersey.

Mr. CARR. What do they do?

Mr. ROMANO. They are the prime contractor. Their job is to complete the design and assemble the buses.

Georgetown's role as systems manager—we work directly for the Department of Energy. We are not involved in the H-Power contract. We don't give money to H–Power. The Department of Energy and the Department of Transportation give the money to H–Power. We get money directly from the Department of Energy to manage the overall program.

Mr. CARR. So DOE and DOT are giving money to H-Power.

Mr. ROMANO. That's correct.

Mr. CARR. With a fee to Georgetown.

Mr. ROMANO. We have a contract with the Department of Energy to manage this program from a technical and fiscal point of view.

Mr. CARR. Thank you. I now have a better understanding of what is going on.

Mr. Wolf.

Mr. WOLF. I have no questions, Mr. Chairman.

Mr. CARR. Thank you.

TUESDAY, MARCH 23, 1993.

GREATER ORLANDO AVIATION AUTHORITY

WITNESSES

HON. BILL McCOLLUM, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

BRUCE STARLING, ASSISTANT EXECUTIVE DIRECTOR, INTERNATIONAL DEVELOPMENT, GREATER ORLANDO AVIATION AUTHORITY

GEORGE SEEL, ASSISTANT EXECUTIVE DIRECTOR, ENGINEERING AND CONSTRUCTION, GREATER ORLANDO AVIATION AUTHORITY

Mr. CARR. Our next witness will be our good friend, Congressman Bill McCollum.

Mr. McCOLLUM. Norm Glass isn't here today, Mr. Chairman. He has been ill, unfortunately.

Mr. CARR. I understand that. I saw him not too long ago.

Maybe you can introduce the panel and extend my best wishes to Norm. I hope he is all right.

Mr. McCOLLUM. Mr. Chairman, I would be delighted to do that.

As you know, our Greater Orlando Aviation Authority is here to testify. The situation with Norm Glass is the fact that he is ill and has had some problems that did not allow him to come today.

Bruce Starling is with us. You may have met him in Orlando. Bruce is director of our international operations for the airport, and at Norm's request is here today to testify. He will be our primary witness today.

Mr. STARLING. George Seel is our director of engineering and construction will be with us and he may be able to provide answers to technical questions.

Mr. McCollum. I am only here to perform the introduction. I have known Bruce Starling for many years and he is a very capable individual.

I am not going to try to elaborate on his credentials. I think he has a presentation to make and I will be glad to join in with him as I do support what he is saying.

Mr. Starling. Thank you very much, Congressman McCollum.

I think substituting for Norm Glass is a very difficult thing to do. We brought four people instead of just one. Norm is doing better. He was sick over the weekend and he sends his regards to you, Mr. Chairman, and to the committee. George Seel is here with me. He is our director of construction and engineering.

We thank you for this opportunity. We will be very brief. It is bad enough to be a principal and testify, but to be a substitute, you have to be even more brief.

To tell you about our airport and some of the things we're doing, it is all in our briefing book. We are 15,000 acres. We are the second largest landed airport in the United States. We are an O&D airport, origin and destination airport, and 90 percent of our passengers need intermodal transportation when they get off the airplane. We are ranked the 16th busiest airport in the United States of America.

We have grown from 6 million passengers in 1981. This year, 1992, we hit 21 million plus passengers. So we have gone from 6 million to 21 million. The 1992 increases were substantial with international being our biggest growth.

We have spent roughly $1.5 billion in construction over the last 14 years. Each year, that created numerous jobs in the central Florida area. Our annual debt service is about $83 million. That has put a huge bite into what our future can be, especially with the airlines being in the condition they are.

Our past growth was 61 percent over the last 5 years and our future growth—we are looking at 148 percent increase in international passengers over the next 5 years. That will put us at about 30 million passengers by the year 1998, up from 21 million last year.

Our development plan to meet the future aviation needs is in place now. It is a $640 million plan over the next 5 years. We have applied for a $250 million letter of intent to help fund that capital plan.

In the briefing book—and I will not go over the number of projects we have outlined—there are 14 projects. We as a staff spent many hours going through these projects and prioritizing these projects. Many times you don't want to do that, but we felt as if it was only fair to this committee for us to tell you what we thought was most important.

On page 1, right after our introductory pages, there is a list of some 14 projects. I will only mention our number one project, a rehabilitation of our runway 18 left, 36 right. It is a $25 million request that we have in to the FAA. It is to rehab one of our 12,000-foot runways. We have all the environmental, we have airline approval, and we are ready to go at a moment's notice.

Other than that, Mr. Chairman, I don't want to take any more time. I thank you for letting us come. I want to say hello to you from Mr. Glass and say that we need your help and support on our application to the FAA for our pending letter of intent.

Thank you, sir.

[The prepared statement follows:]

GREATER ORLANDO AVIATION AUTHORITY

Orlando International Airport
One Airport Boulevard
Orlando, Florida 32827-4399
(407) 825-2001

March 23, 1993

THE GREATER ORLANDO AVIATION AUTHORITY'S TESTIMONY BEFORE THE TRANSPORTATION APPROPRIATIONS SUBCOMMITTEE

The Greater Orlando Aviation Authority (GOAA) considers it a distinct privilege to present testimony to the Transportation Appropriations Subcommittee and deeply appreciates the opportunity to provide a comprehensive report on the status of Florida's leading gateway, the Orlando International Airport. The Airport is located on nearly 15,000 acres and is the second largest landmass airport in the United States. Identified as an "Origin and Destination" airport, 90% of all arriving passengers require some form of intermodal transportation.

Orlando International Airport has experienced unprecedented growth in the past eleven years, and is ranked the 18th busiest airport in the nation. In 1992, domestic passenger traffic increased by 13.3%, and international traffic increased 27.5%. During this same period, more than 21.1 million passengers used the airport as compared to only 6 million in 1981. This exceptional growth rate has significantly impacted the development of the airport, and has required the Authority to undertake extensive capacity improvements. In fourteen years, Orlando International Airport construction costs were $1.5 billion. The Authority was required to issue revenue bonds to finance most of the capacity improvements. The resulting annual debt service of $83 million severely limits the ability of the Authority to finance future airfield development. The growth and development of the Orlando International Airport has served as a strong catalyst for the Central Florida economy. In 1992, the Orlando International Airport generated a $5.4 billion economic impact in Central Florida. Approximately 10,500 jobs are directly associated with the airport. International and domestic tourists contributed $2.4 billion to the Orlando metropolitan economy. As the world's most popular tourist destination, Central Florida substantially attracts foreign currency to assist in the balance of trade.

According to an independent Peat Marwick study, within the next five years, total passenger traffic is expected to increase by 61% and international activities will increase 148%. In 1998 nearly 30 million passengers are expected to use Orlando International Airport.

In an effort to satisfy future aviation demands in Central Florida, the Orlando International Airport has developed a $640 million Airport Capital Plan (ACP). The plan specifically focuses on projects to improve airfield capacity and access to the airport. Three critical elements of this plan include the total rehabilitation of Runway 18L/36R, construction of mid-crossfield taxiway bridges for vehicle/rail traffic, and the widening of South Access Road from two lanes to six. At present, the Greater Orlando Aviation Authority has requested the FAA to issue a four-year

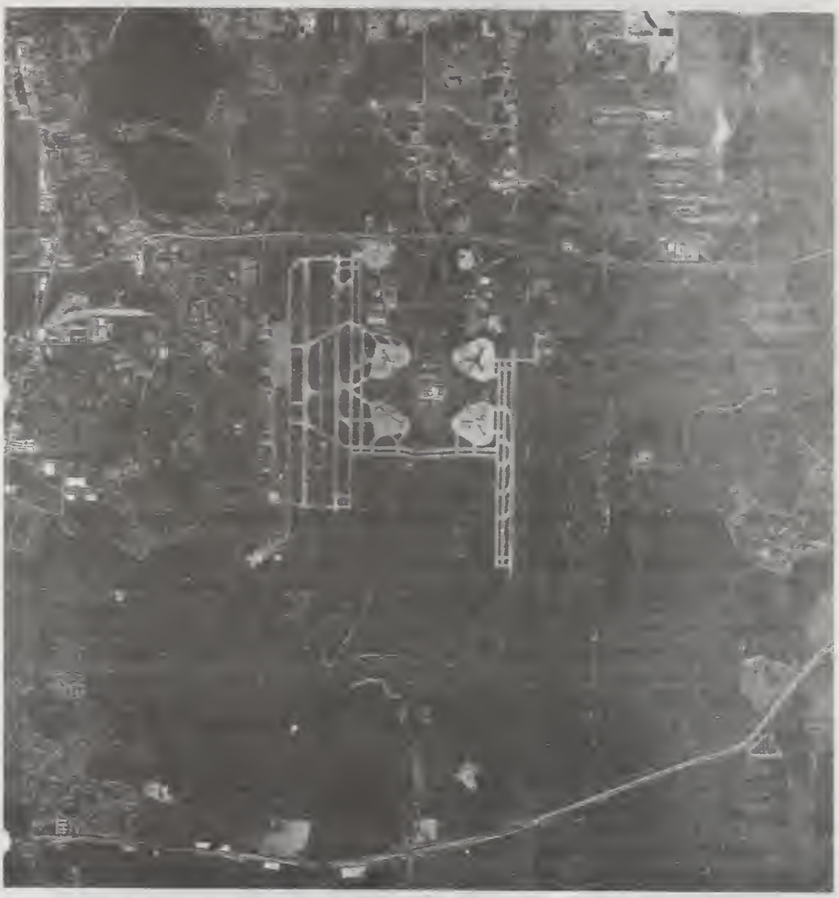
"Letter of Intent" for $250 million to partially fund the ACP. This amount represents the federal share of project costs, and cannot be reduced by the collection of Passenger Facility Charges (PFC), previously committed to other projects.

On August 17, 1992, the Greater Orlando Aviation Authority requested the FAA to consider issuing a "Letter of Intent," which would obligate future entitlement/discretionary funding. In addition, a Preapplication (OIA-93-02) was filed with the Airport District Office (ADO) on November 25, 1992 in anticipation of possible FAA funding (copy enclosed).

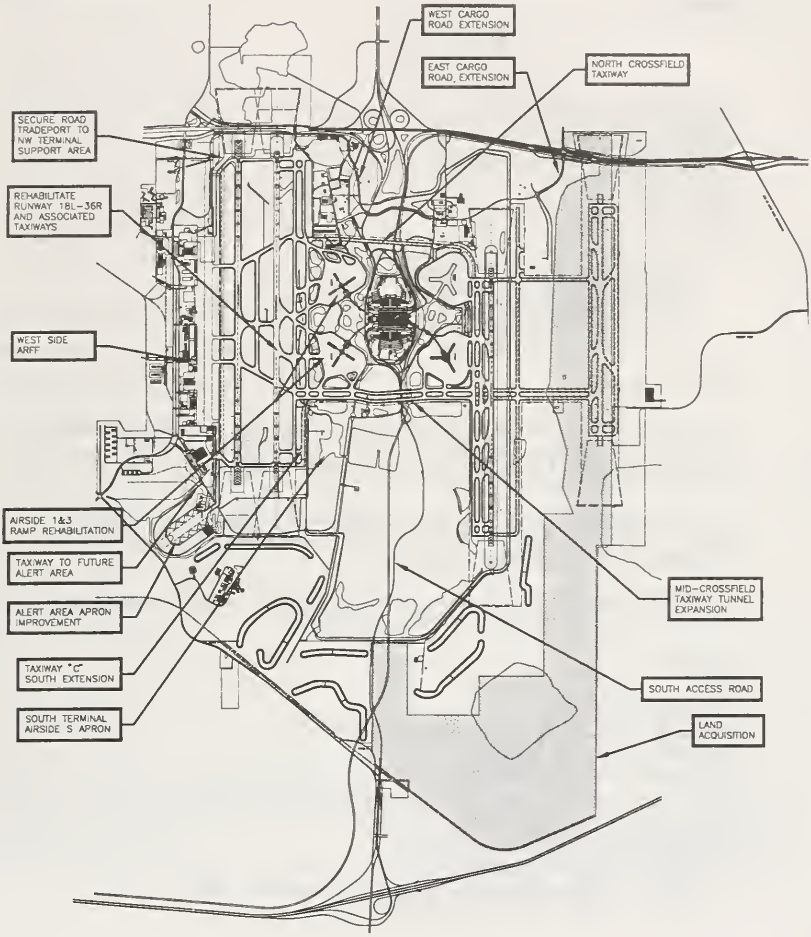
Therefore, Mr. Chairman, the Greater Orlando Aviation Authority is hopeful the FAA will approve our "Letter of Intent", and the required Congressional notification will be favorably viewed by your committee.

The economic benefits derived as the result of implementing the airport's capacity improvement program include the creation of hundreds of construction jobs and generate financial incentives to develop new permanent employment opportunities for the community. Orlando International Airport is strategically located and serves as a pivotal point for international commerce and trade. The further development of the airport will attract foreign investment due to its unique ability to offer large tracts of land for industrial use. The construction of a state-of-the-are USDA Plant Inspection Station and Perishable Handling Center at Orlando International Airport reveal the true potential of the airport.

ORLANDO INTERNATIONAL AIRPORT



Photograph Dated: January, 1993


WEST CARGO ROAD EXTENSION
EAST CARGO ROAD EXTENSION
NORTH CROSSFIELD TAXIWAY
SECURE ROAD TRADEPORT TO NW TERMINAL SUPPORT AREA
REHABILITATE RUNWAY 18L–36R AND ASSOCIATED TAXIWAYS
WEST SIDE ARFF
AIRSIDE 1&3 RAMP REHABILITATION
TAXIWAY TO FUTURE ALERT AREA
ALERT AREA APRON IMPROVEMENT
TAXIWAY "C" SOUTH EXTENSION
SOUTH TERMINAL AIRSIDE S APRON
MID–CROSSFIELD TAXIWAY TUNNEL EXPANSION
SOUTH ACCESS ROAD
LAND ACQUISITION

ORLANDO INTERNATIONAL AIRPORT
PROPOSED DEVELOPMENT PROJECTS

NORTH

MAR 15, 1993

ZHA

GREATER ORLANDO AVIATION AUTHORITY

Orlando International Airport
One Airport Boulevard
Orlando, Florida 32827-4399
(407) 825-2001

November 25 1992

Mr. Charles E. Blair
Manager
Orlando Airports District Office
Federal Aviation Administration
9677 Tradeport Drive
Suite 130
Orlando, Fl. 32827-5397

Re: Pre-Application for Federal Assistance
Request for Letter of Intent
Pre-Application No. OIA-93-02
Airport Improvement Projects for
Orlando International Airport

Dear Mr. Blair:

In accordance with our previous discussions and our letter of November 10, 1992, regarding a "Letter of Intent", enclosed is an Original and Two (2) copies of a Pre-Application for Federal Assistance for construction of those projects.

It is respectfully requested that a Letter of Intent be issued in the amount of $250,000,000 to the City of Orlando/Greater Orlando Aviation Authority at your earliest convenience.

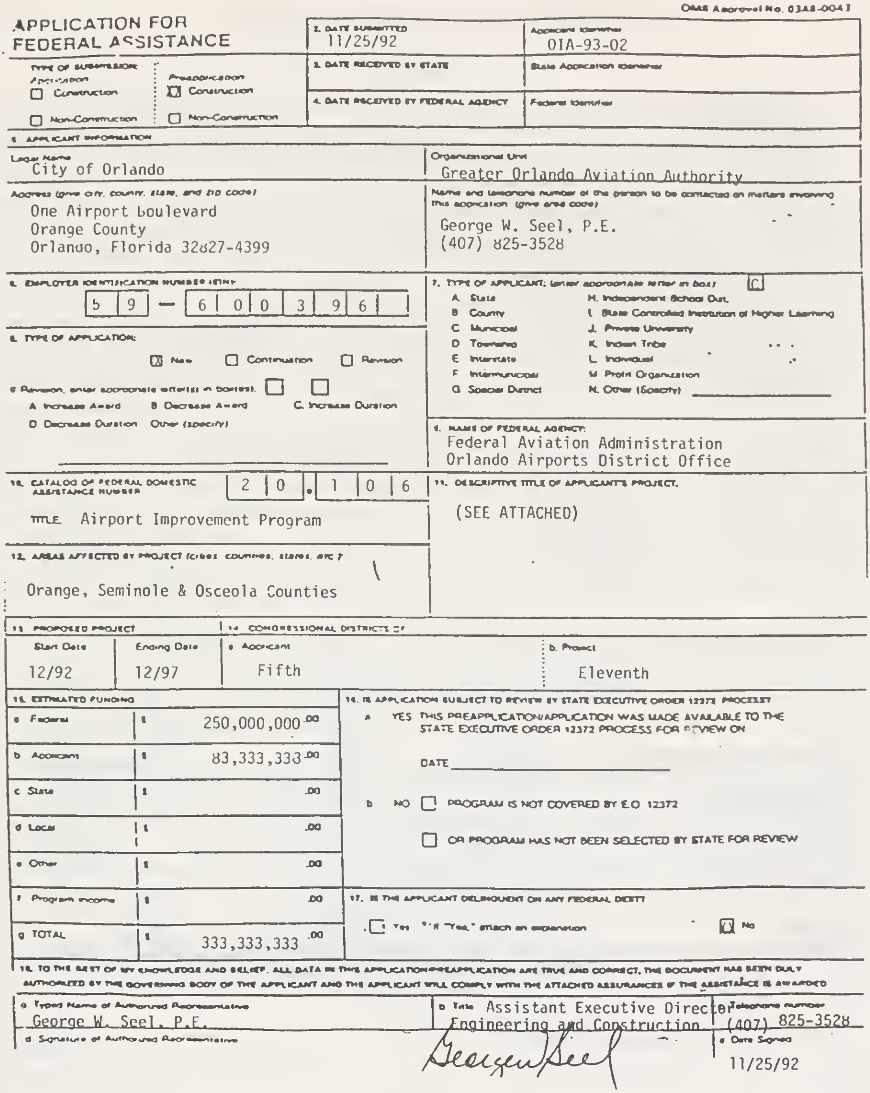
If you have any further questions or require additional information, please contact us at your earliest opportunity.

Sincerely,

George Seel

George N. Seel, P.E.
Assistant Executive Director
Engineering and Construction

eb
Enclosures: As noted
cc: Mr. Michael J. Martin, F/DOT
A. Gordon Arkin, Esq.
Messrs. Glass, Jennings, Schandel, Brancheau, GOAA
Mrs. M. Riley, Acting Finance Dir., GOAA



OMB Approval No. 0348-0043

APPLICATION FOR FEDERAL ASSISTANCE

2. DATE SUBMITTED 11/25/92
Applicant Identifier OIA-93-02
3. DATE RECEIVED BY STATE
State Application Identifier
4. DATE RECEIVED BY FEDERAL AGENCY
Federal Identifier

1. TYPE OF SUBMISSION:
Application
☐ Construction
☐ Non-Construction
Preapplication
☒ Construction
☐ Non-Construction

5. APPLICANT INFORMATION

Legal Name: City of Orlando
Organizational Unit: Greater Orlando Aviation Authority

Address (give city, county, state, and zip code):
One Airport boulevard
Orange County
Orlando, Florida 32827-4399

Name and telephone number of the person to be contacted on matters involving this application (give area code):
George W. Seel, P.E.
(407) 825-3528

6. EMPLOYER IDENTIFICATION NUMBER (EIN): 59–600396

7. TYPE OF APPLICANT: (enter appropriate letter in box) C

A. State	H. Independent School Dist.
B. County	I. State Controlled Institution of Higher Learning
C. Municipal	J. Private University
D. Township	K. Indian Tribe
E. Interstate	L. Individual
F. Intermunicipal	M. Profit Organization
G. Special District	N. Other (Specify) ______

8. TYPE OF APPLICATION:
☒ New ☐ Continuation ☐ Revision

If Revision, enter appropriate letter(s) in box(es): ☐ ☐
A. Increase Award B. Decrease Award C. Increase Duration
D. Decrease Duration Other (specify)

9. NAME OF FEDERAL AGENCY:
Federal Aviation Administration
Orlando Airports District Office

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 20.106
TITLE: Airport Improvement Program

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:
(SEE ATTACHED)

12. AREAS AFFECTED BY PROJECT (cities, counties, states, etc.):
Orange, Seminole & Osceola Counties

13. PROPOSED PROJECT
Start Date: 12/92
Ending Date: 12/97

14. CONGRESSIONAL DISTRICTS OF:
a. Applicant: Fifth
b. Project: Eleventh

15. ESTIMATED FUNDING

a. Federal	$	250,000,000.00
b. Applicant	$	83,333,333.00
c. State	$	.00
d. Local	$	.00
e. Other	$	.00
f. Program Income	$	.00
g. TOTAL	$	333,333,333.00

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?
a. YES THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON
DATE ______
b. NO ☐ PROGRAM IS NOT COVERED BY E.O. 12372
☐ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?
☐ Yes If "Yes," attach an explanation ☒ No

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED

a. Typed Name of Authorized Representative: George W. Seel, P.E.
b. Title: Assistant Executive Director Engineering and Construction
c. Telephone number: (407) 825-3528
d. Signature of Authorized Representative: George Seel
e. Date Signed: 11/25/92

OMB NO. 83-R018

PREAPPLICATION FOR FEDERAL ASSISTANCE

PART II

1. Does this assistance request require State, local, regional or other priority rating? ________ Yes __XX__ No

2. Does this assistance require State or local advisory, educational or health clearance? ________ Yes __X__ No

3. Does this assistance request require Clearinghouse review? __X__ Yes ________ No

4. Does this assistance request require State, local, regional or other planning approval? __X__ Yes ________ No

5. Is the proposed project covered by an approved comprehensive plan? __X__ Yes ________ No Airport Master Plan

6. Will the assistance requested serve a Federal installation? ________ Yes __X__ No

7. Will the assistance requested be on Federal land or installation? ________ Yes __X__ No

8. Will the assistance requested have an effect on the environment? __X__ Yes ________ No FONSI'S WILL BE ON FILE WITH FAA.

9. Will the assistance requested cause the displacement of individuals, families, businesses, or farms? ________ Yes __X__ No

10. Is there other related assistance for this project previous, pending, or anticipated? ________ Yes __X__ No

PART III – PROJECT BUDGET

FEDERAL CATALOG NUMBER (a)	TYPE OF ASSISTANCE LOAN, GRANT, ETC. (b)	FIRST BUDGET PERIOD (c)	BALANCE OF PROJECT (d)	TOTAL (e)
1. 20.106	Letter of Intent			$250,000,000
2.				
3.				
4.				
5.				
6. Total Federal Contribution		$	$	$ 250,000,000
7. State Contribution				
8. Applicant Contribution				83,333,333
9. Other Contributions				
10. Totals		$	$	$ 333,333,333

PART IV – PROGRAM NARRATIVE STATEMENT

(Attach per instruction)

ATTACHED

Attachment 3

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobby Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

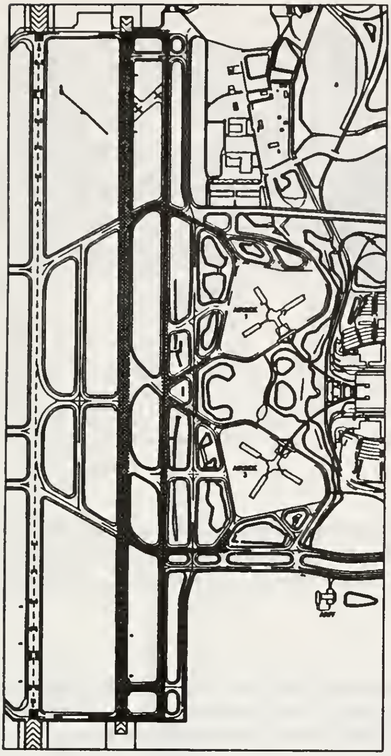
Signed ______________________ Dated 11/25/92

Sponsor's Authorized Representative

LETTER OF INTENT PROJECTS BY PRIORITY

	DESCRITIONS	TOTAL COST	FAA SHARE	GOAA SHARE
1	RUNWAY 18L/36R REHABILITATION	$33,000,000	$24,750,000	$8,250,000
2	CROSSFIELD TAXIWAY BRIDGE EXPANSION/TUNNELS	$55,005,000	$41,253,750	$13,751,250
3	FOUR LANE SOUTH ACCESS ROAD	$15,000,000	$11,250,000	$3,750,000
4	CARGO ROAD EXTENSION EAST	$26,000,000	$19,500,000	$6,500,000
5	CARGO ROAD EXTENSION WEST	$4,000,000	$3,000,000	$1,000,000
6	AIRSIDES 1 & 3 APRON REHABILITATION	$800,000	$600,000	$200,000
7	LAND	$54,000,000	$40,500,000	$13,500,000
8	NORTH CROSSFIELD TAXIWAY	$50,564,000	$37,923,000	$12,641,000
9	SECURE ROAD (TRADEPORT-NWTSA)	$1,300,000	$975,000	$325,000
10	TAXIWAY TO FUTURE ALERT AREA	$2,000,000	$1,500,000	$500,000
11	ALERT AREA APRON IMPROVEMENT	$800,000	$600,000	$200,000
12	TAXIWAY "C" EXTENSION SOUTH	$4,000,000	$3,000,000	$1,000,000
13	WEST SIDE ARFF	$700,000	$525,000	$175,000
14	SOUTH TERMINAL SITE PREP/ENVIRONMENTAL	$86,164,333	$64,623,250	$21,541,083
	TOTAL	$333,333,333	$250,000,000	$83,333,333

RUNWAY 18L/36R REHABILITATION



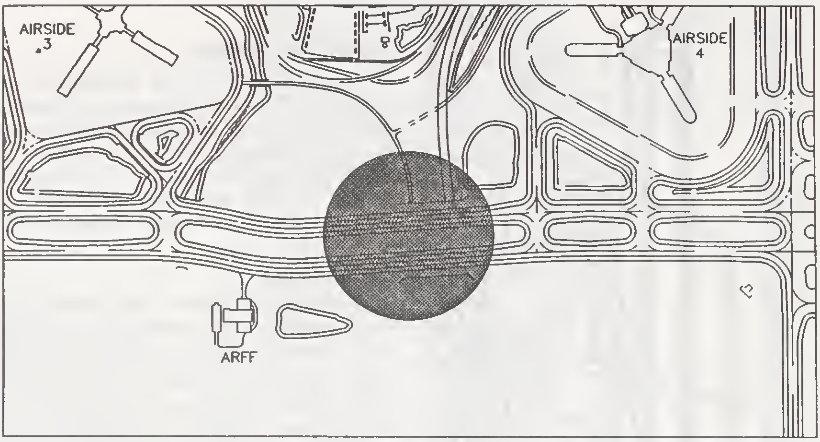
Project Description:

Runway 18L/36R will be rehabilitated by replacing portions of the pavement, improving drainage, upgrading airfield lighting, and repairing existing pavement as required on this 12,000 foot long runway. This Project is similar to work previously performed on Runway 18R/36L, a runway of similar age.

Justification:

This runway was a part of McCoy Air Force Base before it was developed as the Airport. This runway is approximately thirty years old and has been overlaid several times. Because of its age and heavy use, this runway requires rehabilitation and upgrading to preserve and enhance its safety and capacity. This project is similar to work recently performed on Runway 18R/36L which was originally constructed at the same time as Runway 18L/36R. In response to the Authority's Pre-Application for Federal Assistance, the FAA determined on May 7, 1992, that this Project was eligible under the Airport Improvements Program

MID-CROSSFIELD TAXIWAY BRIDGES



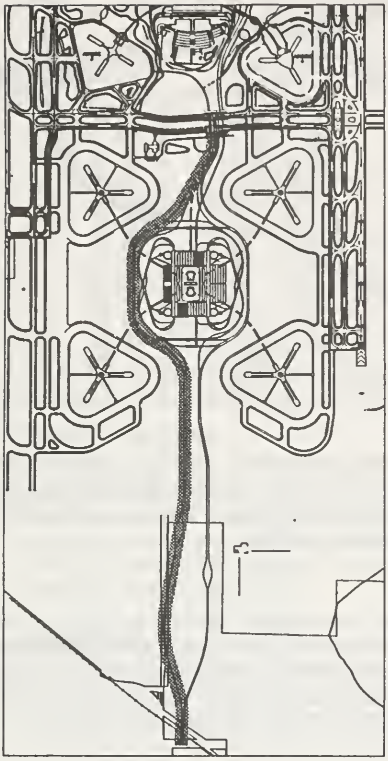
Project Description:

Additional taxiway bridges for aircraft using the mid-crossfield taxiways will be constructed to provide access between the north and south terminal complexes for north and south bound automobile traffic, terminal-to-terminal AGT system, railroad corridors and rent-a-car transport.

Justification:

These bridges are required to provide access between the north and south terminal complexes while maintaining the ability for aircraft to taxi from the east runways, 18L/36R and 18R/36L, and the east airfield runways, 17/35 and the proposed fourth runway.

FOUR LANE SOUTH ACCESS ROAD



Project Description:

The South Access Road provides public access from the south between the Airport terminal loop road and the Southern Connector portion of the Beltway roadway system being constructed by the Orlando-Orange County Expressway Authority. This phase of the project provides an additional two-lane public roadway, drainage and utilities, and mitigation, if required to comply with applicable regulation(s).

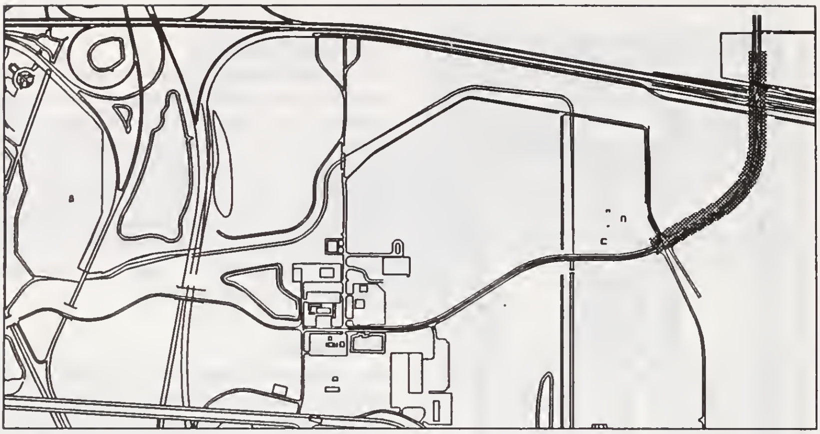
Justification:

The Southern Connector will connect to the Beeline east of the Airport, go south of the Airport, and then proceed west to Highway 535 and Interstate 4 near Lake Buena Vista. This project will provide airline passengers and other airport users and tenants with additional direct access to the Southern Connector, which will:

1. increase airport ground access capacity by providing a second means of access to the terminal,
2. increase safety by alleviating anticipated future congestion at the Beeline-Highway 436 interchange,
3. shorten the travel time of passengers to their ultimate destinations, which in many cases are to locations south of the City of Orlando, e.g. the Walt Disney World and Kissimmee areas.

The additional lanes of this roadway will be required to accommodate the increase in traffic associated with the anticipated increased use of the South Access Road.

CARGO ROAD EXTENSION - EAST



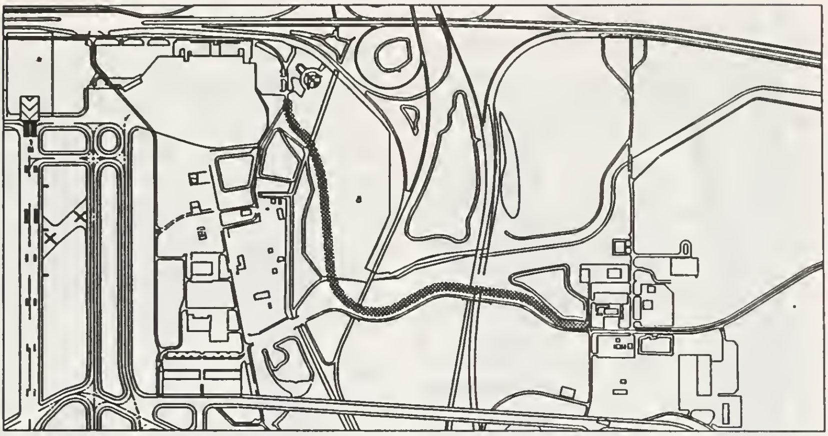
Project Description:

The Cargo Road system will be extended east and north to improve circulation on-airport, to provide access to additional land in the Northeast Terminal Support Area and to provide an additional connection with the Beeline Expressway. The improvements will include associated roadways, sitework, drainage and utilities.

Justification:

To maintain adequate capacity in the loop road system serving the terminal for passenger circulation and to improve safety and security at the Airport, public passenger traffic has been separated from Airport support traffic, i.e. employees, deliveries and support operations. This project will allow Cargo Road access to new areas and to the Beeline east of the already congested intersection of the Beeline and Highway 436.

CARGO ROAD EXTENSION - WEST



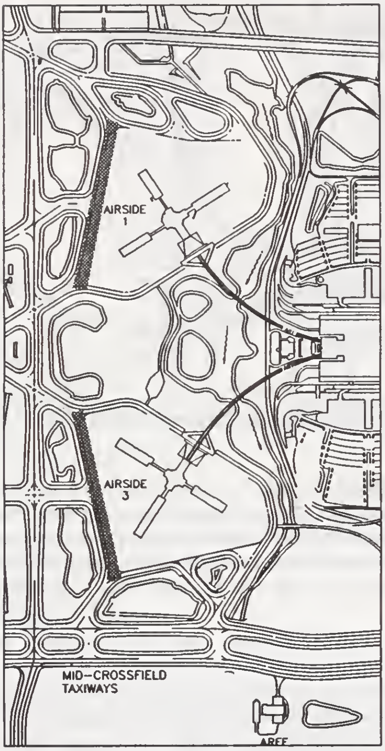
Project Description:

The Cargo Road and secure road systems will be extended to the west and north to improve circulation on-airport and provide improved access to land in the Northwest Terminal Support Area. In addition, this project will allow the development of a secure road system in the northwest terminal support area, converting sections of the present Cargo Road to a secure road system. The improvements will include associated roadways, sitework, drainage and utilities.

Justification:

To maintain adequate capacity in the loop road system serving the terminal for passenger circulation and to improve safety and security at the Airport, public passenger traffic has been separated from support traffic, i.e. employees, deliveries and support operations. This section of Cargo Road is required to facilitate that travel.

AIRSIDES 1 & 3 RAMP REHABILITATION



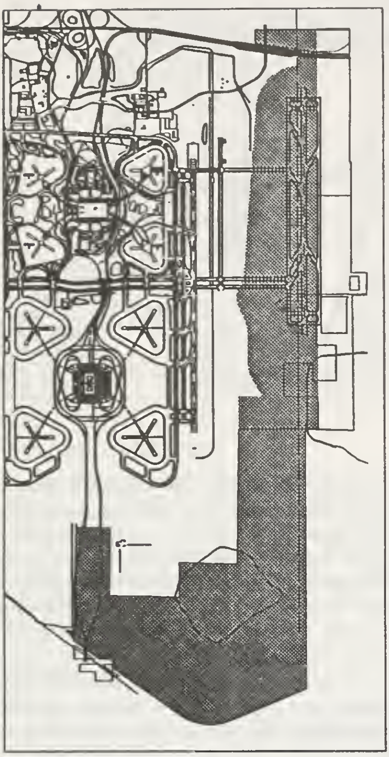
Project Description:

This project provides for rehabilitation of portions of the ramps at Airsides 1 and 3. The areas identified for the corrective work are predominately on the west side of the respective aprons, closest to Taxiway "C". The work will be sequenced to minimize the impact on aircraft operations on each respective ramp. The work will be a combination of concrete slab replacement, pressure grouting under existing slabs, and resealing of the slab joints.

Justification:

Certain limited sections of the airside ramps will require rehabilitation to maintain the serviceability and safety of the ramp. These ramps are a portion of the original Orlando International Airport.

LAND ACQUISITION PROGRAM



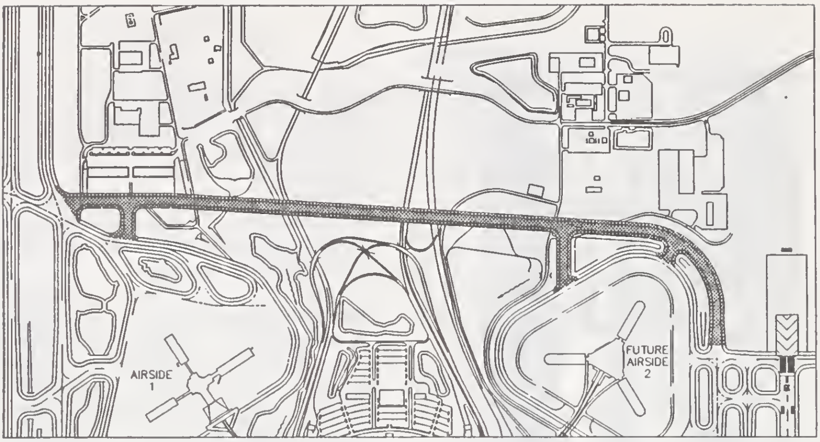
Project Description:

In late 1987 the Greater Orlando Aviation Authority had established a land acquisition budget based upon their master planned development. This budget has escalated from $48 to $54 million, due primarily to the rapid escalation of land values around the Orlando International Airport.

Three years ago, the Authority requested an $18 million Letter of Intent for the lands needed for the East Airfield Development. The FAA issued a Letter of Intent and has recently funded $9 million of the $18 million. It is estimated that when final judgements are entered in all of the condemnation suits, the final land cost of the subject properties will exceed $30 million. Based upon the $30 million amount, the Authority requests that the FAA increase their Letter of Intent funding from $18 million to $22.5 million (75% of the $30 million). With $9 million already committed, this leaves a balance of $13.5 million FAA funding required to guarantee maximum FAA participation in the Letter of Intent land acquisition program.

In addition to these acquisitions, the Authority acquired an additional 3,475.5 acres of property for airport development and mitigation. There has been no FAA participation in any of these acquisitions, which were consistent with the current Airport Master Plan.

NORTH CROSSFIELD TAXIWAY PLANNING



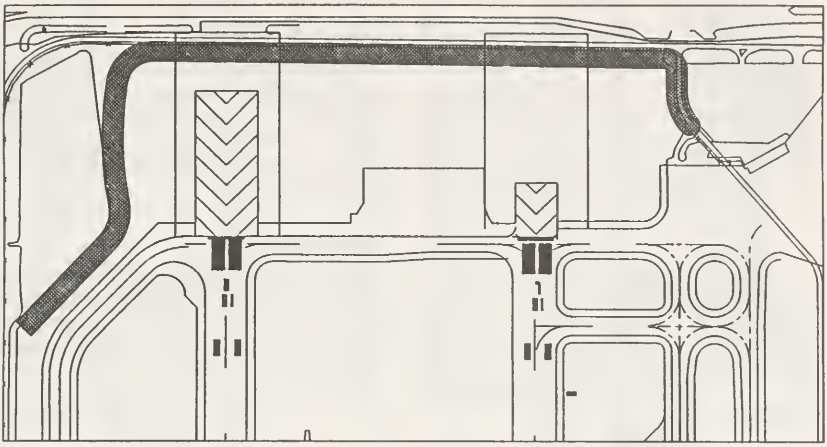
Project Description:

Expansion of the taxiway system with a North Crossfield Taxiway is required to accommodate the forecasted increase in airfield activity and reduce ground movement of aircraft related to "direction of flight" runway usage. Before final design and construction of the North Crossfield Taxiway can commence, the Authority must (1) prepare a preliminary plan to establish the taxiway alignment, locations of the related structures and their environmental impacts, (2) if required by regulatory agencies, develop an environmental mitigation plan, and (3) complete the environmental reviews and permitting process for the taxiway and the related structures as required by State and Local regulatory agencies. This Project includes the pre-construction activities to complete the environmental permitting and planning for the taxiway. The decision to undertake final design and construction and the determination of sources of funding for this work will be made after initial phases (1 through 3 above) are completed and traffic reaches appropriate levels.

Justification:

The forecast growth in passenger traffic will lead to increases in the number of aircraft landing at the Airport. With two runways to the west and two to the east (one operational and one under construction), there will be a significant increase in the number of aircraft crossing the airfield. The existing crossfield taxiways are convenient to serve the southerly Airsides 3 and 4. The development of the North Crossfield Taxiway will provide comparable service to Airside 1 and the future Airside 2. When the existing taxiway and the North Crossfield Taxiway are all in place, Air Traffic Control will have more efficient means to balance and distribute runway loadings and airfield ground movements between the west airfield, the east airfield, and the airsides, thereby increasing the capacity of the Airport. In addition, the FAA-ATCT will have additional flexibility in scheduling aircraft arrivals and departures in a manner consistent with their noise abatement goals.

SECURE ROAD
TRADEPORT TO NORTHWEST TERMINAL SUPPORT AREA



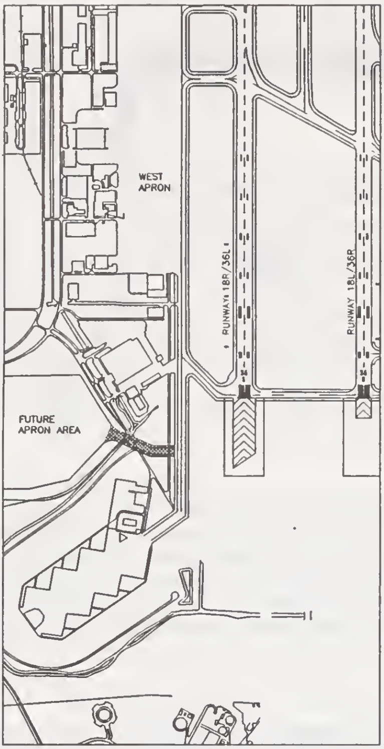
Project Description:

In accordance with the Airport's Master Plan, this two lane road will provide a means to travel on a secure roadway between the northwest terminal support area (NWTSA) and the Tradeport. The road will be constructed on the AOA, beginning at the secure road north of the Tradeport, north to the Beeline Expressway, turn east going immediately south of the current property fence, located adequately north of runways 18L/36R and 18R/36L to ensure the vehicular traffic on the road will not interfere with existing and planned airfield equipment.

Justification:

Presently, traffic between the northwest terminal support area (NWTSA) and the Tradeport is required to either go off the AOA and travel via the unsecure public roads, or to travel the secure roads located to the southwest of the north terminal complex. With the planned further development of the northwest terminal support area, a secure road is necessary to provide an expeditious route for travel to and from the Tradeport.

TAXIWAY TO FUTURE ALERT AREA



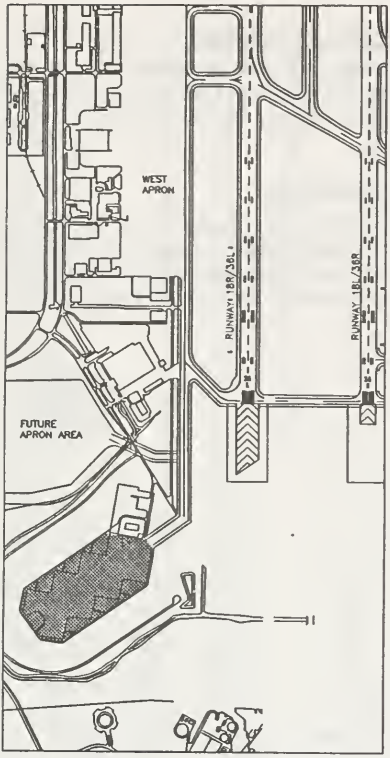
Project Description:

In accordance with the Airport Master Plan and the approved Airport Layout Plan, this project will construct a taxiway from Taxiway "A" to the future alert area (or airside area) located north of the current Tradeport South Airside Area.

Justification:

This taxiway is required to provide aircraft access to the future airside area as the Tradeport area will continue to expand to support the anticipated growth in cargo at the Airport.

ALERT AREA APRON IMPROVEMENTS



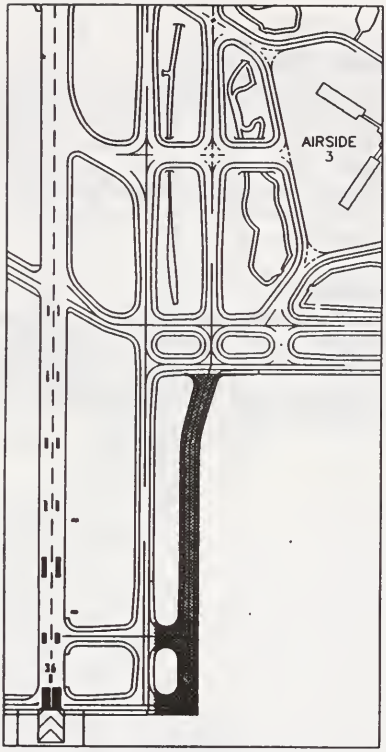
Project Description:

This project will construct additional apron and taxiway in the old air force base's "Alert Area", also known as the Tradeport South Airside Area. This project will provide approximately twice the apron/taxiway previously attached to this "sawtooth" constructed area.

Justification:

In order to better utilize this area for future expansion in the Tradeport area, the existing sawtooth apron/taxiway configuration must be "squared off" to accommodate aircraft movement.

TAXIWAY "C" SOUTH



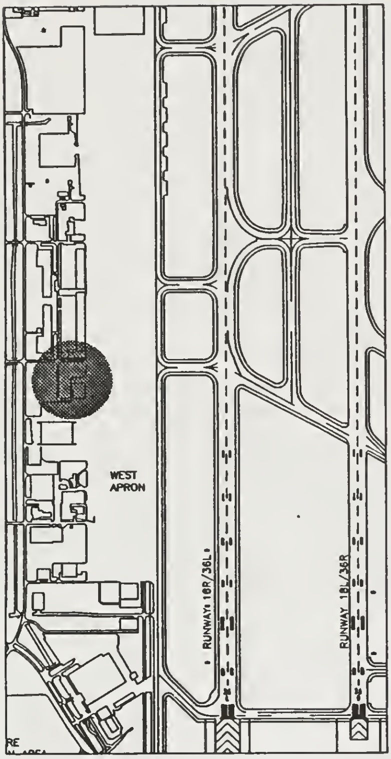
Project Description:

Taxiway "C" is to be extended south from the mid-crossfield taxiways to the southern end of Runway 18L/36R, parallel to Taxiway "B".

Justification:

Extending this Taxiway will provide for improved aircraft access to Runway 18L/36R and is consistent with the Airport Master Plan and Airport Layout Plan (ALP)

WEST SIDE ARFF



Project Description:

This project will construct a two-bay satellite Aircraft Rescue and Firefighting (ARFF) facility in the West Ramp area. The facility will house one quick response vehicle, a re-supply tanker, a medical unit and associated facilities.

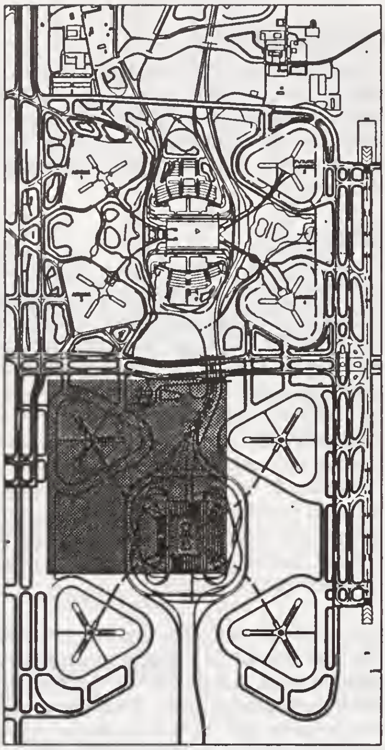
Justification:

A full Aircraft Rescue and Firefighting (ARFF) facility is required on the west side of Orlando International Airport in order to enhance the response time and requirements of FAR Part 139. This action is warranted by marginal response times to meet the FAA three minute requirements to Runways 18R/36L. The consistency required in meeting this response time is hampered at times due to the weather patterns experienced in Central Florida. Severe thunderstorms that typically occur during spring, summer, and fall months obstruct vision and cause dangerous delays.

After carefully studying the West Airfield area, the location of this station was determined in order to optimize response accessibility to the entire area. This station was also a major part of the corrective action enacted on March 15, 1992 and reported to FAA Certifications Branch Airports Division, Atlanta, Georgia by the Greater Orlando Aviation Authority Executive Director on February 26, 1992.

Additional justification for the Westfield Station is based upon the extensive cargo handling and fueling operations that occur in this area.

SOUTH TERMINAL SITE ENVIRONMENTAL PREPARATION

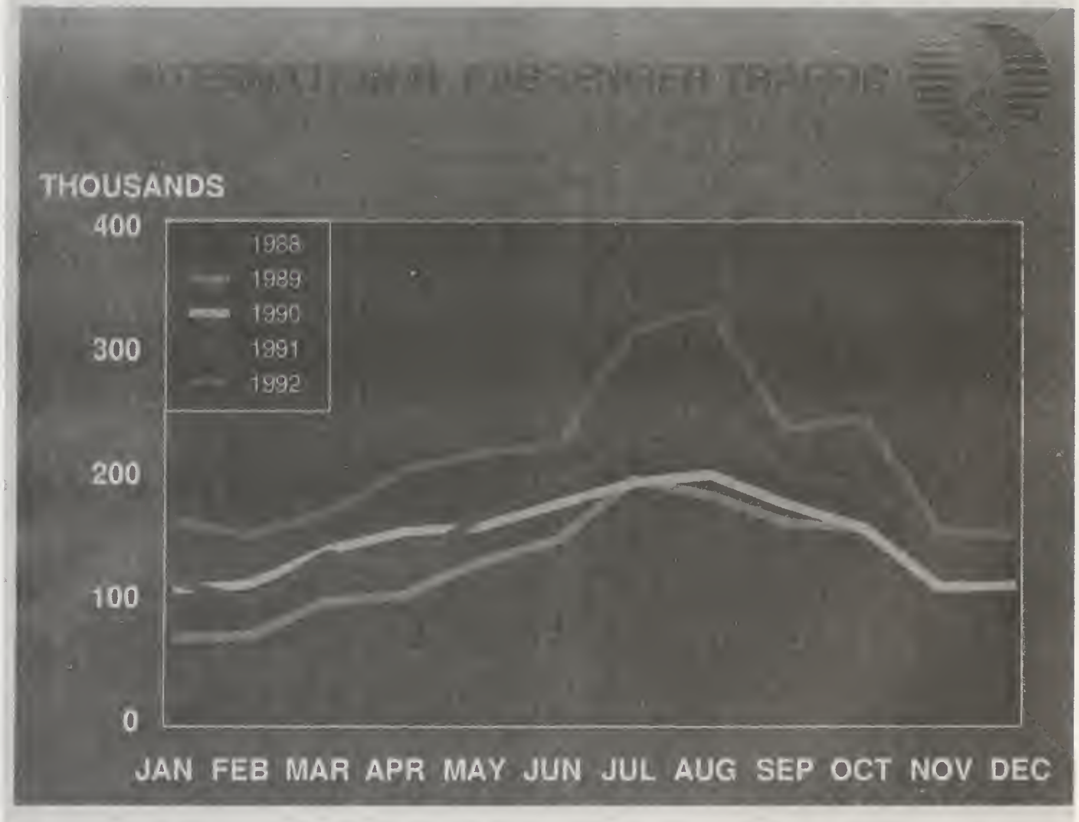


Project Description:

Program development as well as the first phases of preliminary planning to establish the locations of structures, taxiways and their environmental impacts, including environmental reviews, assessments, permitting and mitigation, if any, will be initiated under this project. In addition, initial site preparation for the landside terminal and one airside terminal would begin once all prerequisite requirements have been met.

Justification:

It is anticipated that the north terminal complex will continue to adequately process the forecast passenger traffic for several years. However, the known capacity of the north terminal complex, coupled with the long lead time associated with the development of the south terminal complex, dictate that work on this new terminal be initiated on a phased basis as justified by passenger traffic forecasts.


INTERNATIONAL PASSENGER TRAFFIC
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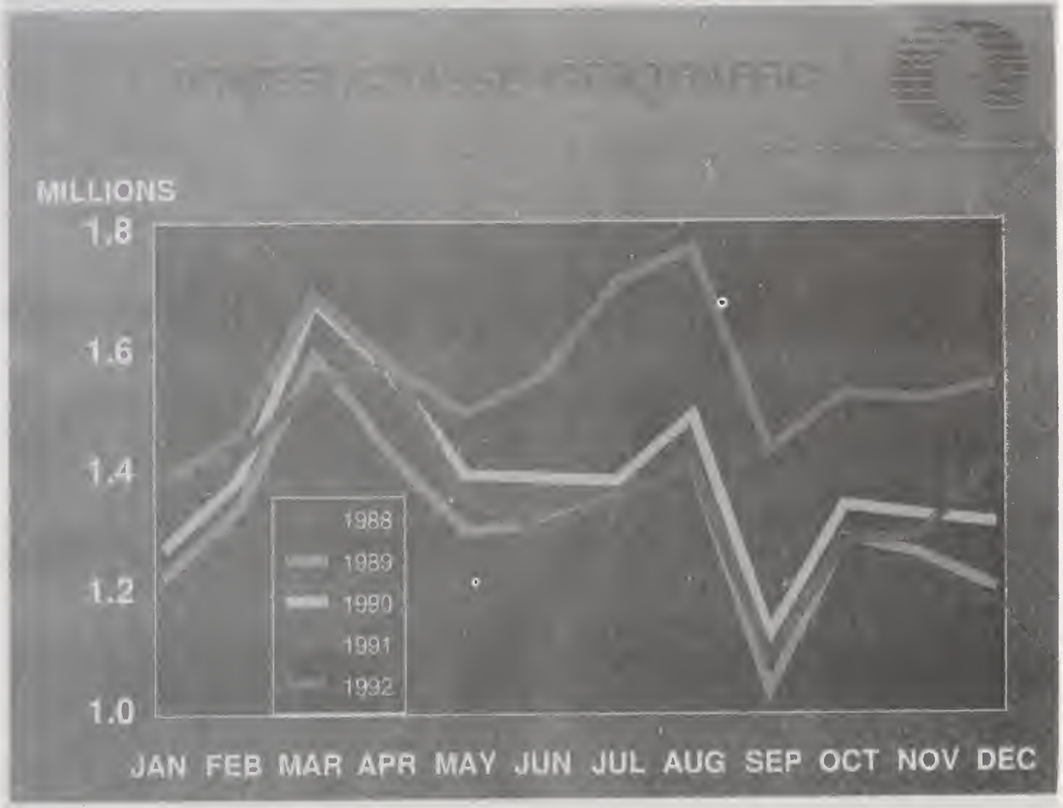
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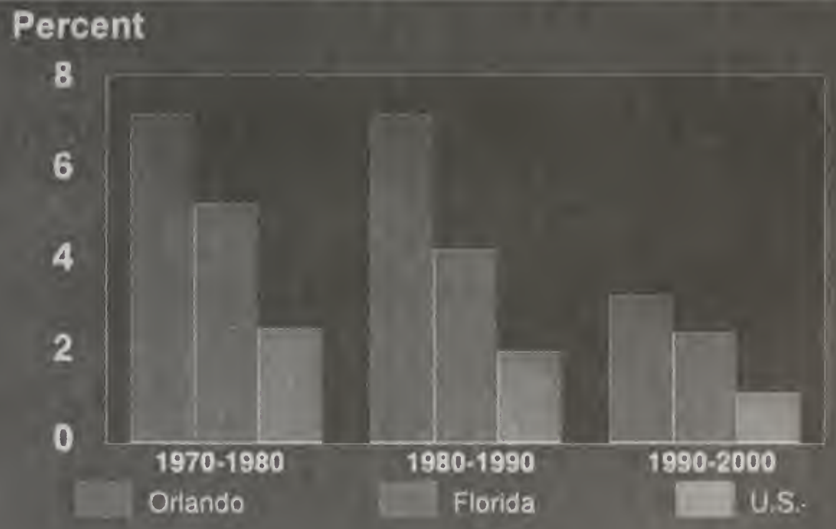
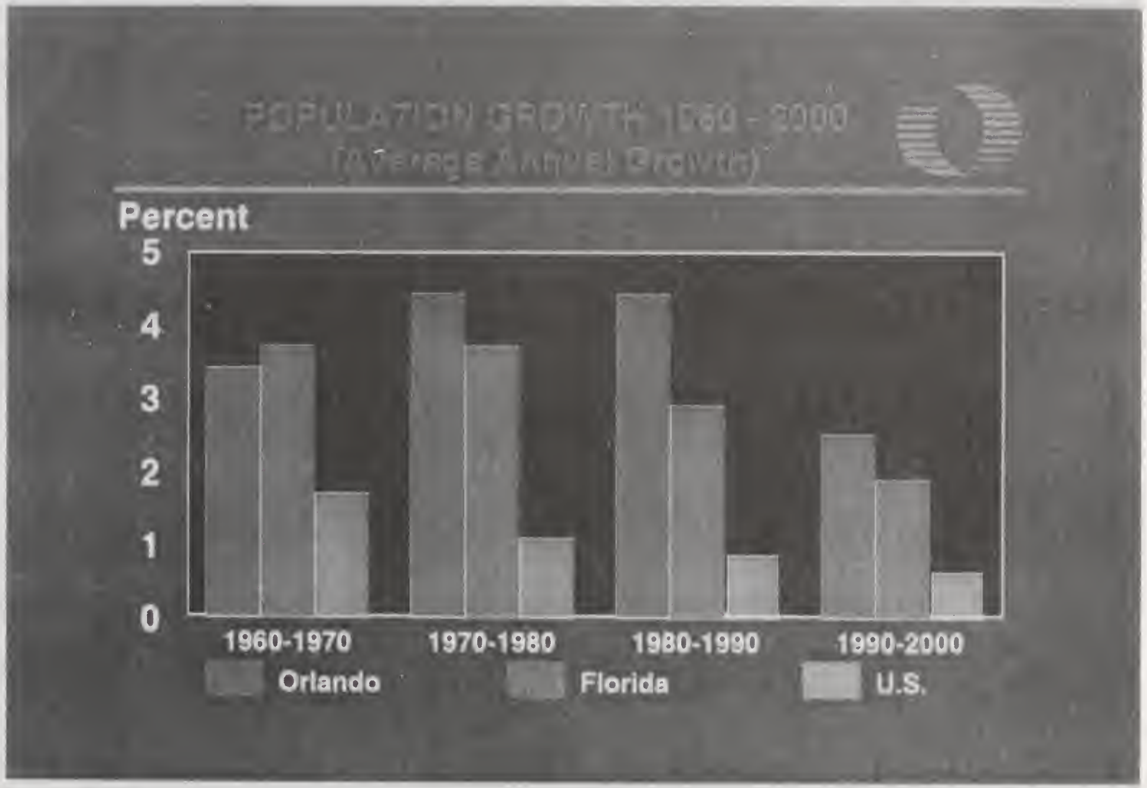
EMPLOYMENT GROWTH 1970 - 2000
(Average Annual Growth)





POPULATION GROWTH 1960 - 2000
(Average Annual Growth)

Mr. CARR. What is the intention?

Mr. SEEL. We intend to take out the center section. We rehabilitated a sister runway, which is only 1,500 feet away, about 3 years ago, and we plan the same type of rehabilitation to this runway, and that is to take out the center keel section and to pour it back in concrete. It is now an asphalt section.

Mr. CARR. The current runway is asphalt?

Mr. SEEL. That's correct, on a lime rock or flexible base.

Mr. CARR. How many inches?

Mr. SEEL. Probably 17 inches of lime rock under it, and with the overlays over the past years, we probably about 6 to 8 inches of asphalt today.

Mr. CARR. Can you take that asphalt up and recycle it?

Mr. SEEL. We would plan on milling the asphalt up and recycling it and using it to improve some associated taxiways and also to improve the shoulders. This particular runway has no shoulders. It is 200 feet wide. But the runway edge lights are off into the soil on each side. So we could use that milled asphalt to construct shoulders for the runway.

Mr. CARR. What is the current status of the maglev proposal down there? As I understand it, from visiting with Mr. Glass, there is an agreement.

Mr. STARLING. There is a joint agreement that they are supposed to come up with a finance plan by June of this year to show us their business plan and what their financing source is going to be.

Mr. Seel has also been working on that.

Mr. SEEL. Two things need to take place, Mr. Chairman. First of all, maglev was to present its financial plan by June 11th under its certification by the State of Florida. They have applied for an extension of 180 days, which means they would have until December 11th to come up with that financial plan.

As far as the Greater Orlando Aviation Authority, we are still meeting with them and trying to negotiate a definitive agreement under that certification whereby maglev replaces any lost revenue to the airport. We have been negotiating. We have extended that date on several occasions. The date now is April 21st, which coincides with our April board meeting.

We feel that that plan needs to be done as soon as possible. I would think they would have to have that portion of their financial planning done before they could come up with the rest of their financial plan to present to the State.

Mr. CARR. What was the original deadline for an agreement?

Mr. SEEL. The original deadline was set back in May of 1992, if I am not mistaken. I believe that this was the third extension.

Mr. CARR. So it has been extended three times?

Mr. SEEL. At least three times.

Mr. CARR. Is it going to be extended again?

Mr. SEEL. Very possibly. We are in negotiations with them. They are difficult negotiations.

Mr. STARLING. The airport does not have control over that extension. It will be between the State, the city, or the county. We are sort of a third party beneficiary of that agreement. We are not a voting member of whether that extension happens or not. Maglev is happening pursuant to a State law they got passed at the State Legislature in Tallahassee.

Mr. CARR. But don't you have some control over the access to the airport?

Mr. STARLING. Oh, yes.

Mr. CARR. You could terminate that access, right?

Mr. STARLING. We understand that at the very end, they must come to us and get our approval in the end, but not on the finance plan. The finance plan is their approval with the State.

Mr. SEEL. The two agreements we discussed first was the June 11th date for compliance with their State certification. The second one is the one they were to have in place with the Greater Orlando Aviation Authority as a condition of coming on and serving our terminal system.

April 21st is the current drop dead date.

Mr. CARR. Has the airport extended that deadline before?

Mr. SEEL. On three separate occasions. This is the latest extension.

Mr. CARR. This is the one that was originally made in 1992?

Mr. SEEL. Yes, sir.

Mr. CARR. What was the original date for the finance plan?

Mr. SEEL. We don't know that, but it was some time prior to 1992 because they have been at this since the late 1980s. I believe the legislation was passed in late 1988. So they have been on the finance plan for quite some time.

Mr. CARR. What are the main issues in negotiating the access to the airport?

Mr. SEEL. The rail alignment for the system to comply with our master plan to avoid interference with aprons or apron-edged taxiways; access to the terminal, physical access; the extent to which we would compromise the terminal efficiency of operations in passing passengers through our terminal to accommodate the small percentage of ridership that maglev would offer our passengers; the security issues; the concept that maglev would operate as an airline with the other station located 13.5 miles away being similar to an airport with security screening, bag check, and airline designator—those are some issues that we're negotiating.

Mr. CARR. Mr. Wolf?

Mr. WOLF. Thank you, Mr. Chairman.

I want to welcome Bill to the committee. I have a couple of questions.

You have done a good job, but why are you before the committee today? I am not quite sure because you're really not asking for anything. The letter of intent comes from the FAA.

Mr. STARLING. Just to bring the committee up to date. Mr. Glass, of course, would have to speak for himself because he set the meeting up, but he has been at this for many, many years. He likes to keep the prime committees aware of what we're doing. We are growing so fast. He likes to come up here and tell what we're doing. We are the fastest growing airport in the country today.

I think it is his style and he wanted to be up here to keep that part of what he does here.

Mr. WOLF. I appreciate that. I was just curious.

There was a list that came out of airports that were diverting money off of the airport. Is any of this a diversion off the airport, or is all of it on the airport?

Mr. STARLING. All 14 projects are on the airport.

Mr. WOLF. Bill, I want to commend you for taking the leadership on this issue with regard to potential terrorists coming into this country. I am a cosponsor of your bill.

There was a 60 Minutes story about a week and a half ago about when somebody comes into the country on the pretense of requesting asylum and then destroys their documents and disappears. What do you do in Orlando if that is the case? What is the process there?

Mr. MCCOLLUM. If I might interject here, in any other international airport, the authorities are there and they can tell you the technicals. We have a port of entry and we have essentially the same operation they have at JFK where the Immigration Service has their personnel there and they do this temporary screening. But if someone claims political asylum, as those folks on 60 Minutes, they are let out into society under the same rules.

This airport authority has no control over that.

Mr. WOLF. I understand that.

Mr. MCCOLLUM. But they do have a port of entry.

Mr. STARLING. And we have a transit without visa status which we just got within the last year. We are like any other national port of entry. As the Congressman said, we have to handle it just like JFK or anyone else.

Mr. WOLF. What are your feelings about this?

Mr. SEEL. As international director, I think it's a part of asking a lot of international people to come to our city, to go see the Disney projects or go see other things. And more and more businesspeople are coming to Orlando. I think it is a part of what you have to take—the good and the bad.

Mr. WOLF. Apparently, the perpetrator of the recent CIA killings entered the country this way. It would be a very difficult sitting across the table from the wife of one of the young men who was in the car at the very time her husband was killed by this terrorist. I think it would be very difficult going up to the World Trade Center and finding the six families who were killed in the World Trade Center and telling them that that is just what we have to accept.

I think you ought to think about that one very carefully. If we can't control our borders—I come from an immigrant family and I think visits are wonderful. But when somebody comes in and there is no way of tracing where they have come from, we have a problem.

I want the record to show that it will be a disgrace if this Congress doesn't pass your bill, and it will be a double disgrace if the airport operators or anybody comes up to testify against this bill.

I am going to write all the airport operators and ask them to take a look at the McCollum bill. What do you tell somebody whose husband or wife was killed by someone who slipped through the system this way?

Mr. STARLING. Nothing you could say to them would make a difference. They're going to be very distraught and it is going to be impossible to smooth their feelings.

Mr. WOLF. You might take a look at it and lobby. You are the destination point for a lot of international travel, and we want that travel, and we encourage that travel, and it is good, and it is positive. We want people visiting here from every other country. But we also want to make sure that they are coming in with a valid passport and record.

I want to thank you so much.

Mr. MCCOLLUM. Thank you, Frank.

As you know, my bill has an asylum officer assigned to each of the international terminals in the country. That person would be making on-site decisions which would screen out those folks who are seeking entry who don't have the right documentation and in addition to that have claimed political asylum, which is the trigger mechanism for a lot of them getting in who shouldn't be.

Mr. WOLF. Right.

Mr. MCCOLLUM. Of course, that is not going to change if we have an arrangement with certain countries for somebody to transit without the visa. That is a separate issue. And I haven't a problem with that, particularly, because that is not the source of the discomfort.

But there were 35,000 who came in last year alone to our international airports who did not have proper documents to come in, who weren't coming in under any special program. Some of them had forged documents and they were caught, but claimed political asylum, and then released on parole, 90 percent of whom never showed up for hearings after they did that. And we don't know how many of them were terrorists like the ones who did the CIA killings or like the guy up in New York.

I think that is your point. I think most airport officials should support that kind of relief.

Mr. WOLF. We don't want to change political asylum. If somebody truly is here for political asylum, we want to have that opportunity.

I want to thank you for testifying. Bill, if I can do anything to help you on that, let me know.

Mr. MCCOLLUM. I think your suggestion about perhaps writing to the airport authorities would be a good idea. If Chairman Carr would be interested in joining you, that would be even better.

Mr. WOLF. My staff will send you a copy of the letter and a copy of the response, too.

Mr. MCCOLLUM. Thank you very much.

Mr. WOLF. Thank you, Mr. Chairman.

Mr. CARR. This committee has taken an interest in the past several years in diversions of money from airports because we see ourselves—and quite rightly from the Federal point of view—of trying to finance travel and transportation improvements throughout the country. We are aware that in some circumstances airports sitting next to cities with needs believe that the airport really should be funding the local police, sewer, fire, water, garbage collection, and whatever else.

So this committee has taken a very strong and active interest. We tasked the Inspector General of DOT to survey airports around the country and report back to us. In their first round of investigations, Orlando did come up.

It is not as bad as some. You are not funding the downtown police officer in Orlando, but the report that was dated December 29th of this year stated that "the Authority had not developed and implemented the necessary property management and marketing procedures needed to ensure real property resources are leased at a fair rental value. As a result, we estimated that the Authority had failed to recover $2.3 million of revenue that could have been used to reduce the Authority's reliance on discretionary funds from the subcommittee to meet its capital obligations."

Have you had a formal response to the IG's report?

Mr. SEEL. No, we have not. We have met with the IG's office both in Atlanta and here in Washington, D.C. I think we gave them evidence where what they were saying really was not factual. We do have it, although it was not presented in a format that they have. We were responding to a draft report at the time and I have not seen any further documentation of any further allegations. These were some meetings about 9 months ago. But we did meet with them on several occasions.

As a result of our meetings, the draft report was retracted and it was to be redrafted. I have not seen the redrafted report.

Mr. CARR. The report is available and you ought to have a copy or be given a copy.

Mr. MCCOLLUM. What is the date of that report, Mr. Chairman?

Mr. CARR. It is dated December 29, 1992. It is report number R4-FA-3-158. We can help you get a copy if you need it. I think it would be important for you to make a formal response to it. They do say that it is an estimate on their part that you didn't recover $2.3 million, but they also say that you didn't have the appropriate management and marketing plans in place.

We're not picking at you. We're going to do this at every airport. The IG, in fact, selects the airports to be reviewed. We do not select them. We have asked them to review every airport. In time, they will get to every airport. You happened to be among their first to investigate.

We want some kind of a document from you that we could keep on file. We would just encourage you and all others in the aviation community to make sure that the law with regard to keeping Federal resources on the airport and keeping those resources looking at transportation needs rather than other needs is something that this committee is concerned about. When airports come asking for help, we are going to check their compliance.

Mr. STARLING. We will certainly get a response to you on that issue, Mr. Chairman.

Mr. CARR. Thank you.

[The information follows:]

GREATER ORLANDO AVIATION AUTHORITY

Office of The Executive Director

Orlando International Airport
One Airport Boulevard
Orlando, Florida 32827-4399
(407) 825-2001

March 26, 1993

The Honorable Bob Carr
Chairman
House Appropriations Transportation Subcommittee
2439 Rayburn House Office Building
Washington, DC 20515-2206

Dear Congressman Carr:

Thank you for giving my staff the opportunity to testify before the House Appropriations Transportation Subcommittee in support of the request of the Greater Orlando Aviation Authority (Authority) for a $250 million Letter of Intent to help pay for critically needed safety and capacity improvements at Orlando International Airport.

During the testimony, a question was asked about the Office of the Inspector General's (OIG) Audit of Airport Revenue Accountability for the Greater Orlando Aviation Authority. I would like to supplement the answer that was given during the testimony with the following additional information.

The OIG audited the Authority for the period from October 1, 1987 through September 30, 1990, and issued a draft report on May 15, 1992 and a final report on December 29, 1992. During the three year period covered by these reports, the Authority realized total operating revenue of $248.4 million under its lease and concession agreements. In the final report, the OIG estimated that the Authority "could have generated an estimated $2.3 million of additional revenue by leasing all secondary resources based on market supported rents." While neither the Authority nor the Federal Aviation Administration (FAA) agree with the OIG's conclusion, the amount involved represented less than 1% of the Authority's operating revenues during the audited period.

The Federal Aviation Administration reviewed the draft report. In its letter to the OIG dated October 6, 1992, a copy of which is attached for your information, the FAA concluded:

"...we believe that, since September 30, 1976, GOAA (Authority) has obtained FMV (fair market value) based on appraisals..."

"- The FAA determined that GOAA (Authority) demonstrated that it actively pursued the development of all available lands in the Tradeport area..."

"- The FAA finds that GOAA (Authority) is maintaining a fee and rental structure for airport resources that will make the airport as self-sustaining as possible..."

The Authority does not believe it could have generated $2.3 million in additional revenue during the audited period, and it agrees with the FAA's conclusion that the Authority's fee and rental structure makes the Authority as self-sustaining as possible. Nonetheless, in response to the draft report, the Authority took prompt action to adopt a written policy codifying the property management practices it had followed for more than ten years. As a result, the OIG accepted the FAA's position, and concluded in the final report that:

"...the Authority had taken immediate action to develop and implement the property management procedures originally recommended...**Therefore, since the Authority has complied with the FAA's revenue requirements, the recommendations are resolved and no further response is necessary." (emphasis supplied)**

I wanted to be sure that you and the other members of your Subcommittee had all of this information, and I respectfully request that you make this letter part of the official record of the testimony. Please contact me if you have any questions or would like any additional information.

Sincerely,

Norman J. Glass
Executive Director

slp

cc: Members of the House Appropriations Transportation Subcommittee:
The Honorable Richard J. Durbin
The Honorable Martin Olav Sabo
The Honorable David F. Price
The Honorable Ronald D. Coleman
The Honorable Thomas M. Foglietta
The Honorable Frank R. Wolf
The Honorable Ralph Regula
The Honorable Tom DeLay

U.S. Department
of Transportation

Federal Aviation
Administration

Southern Region

P. O. Box 20636
Atlanta, Georgia 30320

[illegible] 1992

Mr. Gary L. Singletary
Regional Manager, Region IV
Office of the Inspector General
1718 Peachtree Street, NW., Suite 376
Atlanta, GA 30309

Dear Mr. Singletary:

This responds to the Draft OIG Report on Audit of Airport Revenue Accountability for the Greater Orlando Aviation Authority.

The following is our position on your findings and recommendations:

1. "GOAA did not obtain fair rental value on leases."

   a) Non-aviation use parcels subject to the Surplus Property Act (SPA); Orlando International Airport (OIA) and Orlando Executive Airport.

      -"The failure to recover fair market value (FMV) on non-aviation leases located on surplus property is in non-compliance with the requirements of the Surplus Property Act of 1944, as amended by Public Law 80-289(SPA)."

      -GOAA has provided information in tabular format (see enclosure dated September 28, 1992) that indicates that appraisals or appraisals of "like properties" were in fact obtained on all its SPA properties that were leased for non-aeronautical purposes at both airports after September 30, 1976. Further, GOAA maintains that these appraisals were utilized to establish and negotiate fair market value rental on the subject parcels.

      -Based upon our review of the information provided by GOAA at the September 11, 1992, meeting, we believe that, since September 30, 1976, GOAA has obtained FMV based on appraisals. We have requested back-up documentation to support the information provided in the enclosed table. We will evaluate the documentation for accuracy upon receipt.

   b) Non-aviation use parcels not subject to the SPA at Orlando Executive Airport (OEA).

-As discussed in our interim response, GOAA has no obligation to the Government to recover FMV for these leases.

c) Aviation use Parcels at OIA and OEA.

-As discussed in our interim response, it is FAA policy to require the sponsor to recover the cost of providing aviation use facilities though fair and reasonable fees, rentals, and other charges. Recovery of FMV is not a requirement.

2. "GOAA did not ensure that revenues were generated by all aviation surplus land. GOAA has not developed sixteen (16%) percent of all the available surplus land at OIA."

-The FAA determined that GOAA demonstrated that it actively pursued the development of all available lands in the Tradeport area. It has an office and staff for this purpose. It has also alerted real estate brokers that remuneration is available for those brokers that bring new tenants to the Tradeport.

-The FAA Airports Compliance Handbook states that "there is no violation of the covenants in the conveyance document if the airport owner is unable to arrange for productive use of such property." The land available at the Tradeport is similar to hundreds of acres of land adjacent to the airport that are sitting idle waiting for the right time to be developed.

3. Conclusions.

a) "Suspend future discretionary grants to GOAA."

-The FAA finds that GOAA is maintaining a fee and rental structure for airport resources that will make the airport as self-sustaining as possible, and, therefore, suspension of future discretionary grants is not warranted.

b) "Require GOAA to establish, by appraisal, the FMV and fair rental value of all surplus property used for non-aviation purposes and to adjust lease rental amounts accordingly."

-Our Order 5190.6A states that in determining fair market value, consideration should be given to the current market value of the property and to the going rate for rental of equivalent premises. An appraisal is specified as one acceptable method of establishing fair rental value, but is not a requirement.

-The FAA finds GOAA's existing policies regarding management of and economic return on real property encourages obtaining maximum revenues from its properties.

In conclusion, it is the FAA's position that withholding discretionary funds is not in the best interests of aviation and is not supported by the preliminary findings included in the draft report.

Sincerely,

Ted R. Beckloff, Jr.
Regional Administrator

Enclosures

TUESDAY, MARCH 23, 1993.

CENTRAL OHIO TRANSIT AUTHORITY (COTA)

WITNESSES

HON. DEBORAH PRYCE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

RICHARD J. SIMONETTA, GENERAL MANAGER, CENTRAL OHIO TRANSIT AUTHORITY, COLUMBUS, OH

Mr. CARR. Our next witness will be introduced by my neighbor to the south of Michigan from Ohio, the Hon. Deborah Pryce.

Congresswoman Pryce, it is good to have you with us today. I will leave the introduction to you.

Ms. PRYCE. Thank you, Mr. Chairman.

I am new at this, so if there are any lapses in protocol, please forgive them.

It is a pleasure to be with you today for the opportunity to testify in support of funding for an urgent bus project we have in Columbus, Ohio. I am here to support a request by the Central Ohio Transit Authority, or COTA, for $17 million to help finance the replacement of 77 older buses used in the Columbus area.

These buses should be replaced for several reasons. Not only are they becoming very expensive and difficult to maintain, they break down frequently and are unreliable in scheduled service. But more importantly, they do not meet new Federal clean air emission standards, and finally, they are not accessible to disabled members of our community.

The new buses will help COTA maintain reliable service to the general public. The new lift equipped buses will dramatically improve service to the disabled and help Columbus satisfy the mandates of the Americans with Disabilities Act. The new buses will have clean-burning diesel motors which can be fitted with particulate traps as emission standards are tightened.

Further, if the subcommittee will include funds in the fiscal year 1994 report, a contract will be activated for the manufacture of buses immediately after receiving the grant from the Federal Transit Administration, creating jobs needed to continue to stimulate economic recovery.

Last year, after funds were included in the fiscal year 1993 appropriations report, COTA prepared bus specifications, solicited bids, and awarded a contract for 67 buses to the Flxible Corporation, subject only to the receipt of a Federal grant from the FTA. FTA made the grant last month, and the contract was activated. Today, a significant number of employees at the Flxible Corporation and suppliers are at work in Ohio and elsewhere in the United States manufacturing buses for delivery this summer. The funds earmarked by this subcommittee for the fiscal year 1993 report are now making a significant contribution to our Nation's economic recovery.

This performance will be repeated again, Mr. Chairman, if the subcommittee can include this request for the purchase of 77 buses in the fiscal year 1994 report.

COTA has demonstrated that it can move quickly to produce contracts and jobs. This will make a substantial additional contribution to the Nation's economic recovery while significantly improving delivery of services to the citizens of central Ohio.

Mr. Chairman, I would now like to introduce Mr. Richard Simonetta, general manager of COTA. He will briefly explain to you the status of the fixed guideway project currently being evaluated in the Columbus north corridor.

COTA is not requesting inclusion of funds in the fiscal year 1994 bill for this project. However, COTA may request inclusion of $7 million in the fiscal year 1995 for preliminary engineering of a light rail project.

At this time, I am pleased to introduce to you Mr. Richard Simonetta.

Mr. CARR. It is nice for you to be here. It is good to see you again.

Mr. SIMONETTA. Good morning, Mr. Chairman and members of the subcommittee.

Congresswoman Pryce, I appreciate the opportunity to supplement your testimony and to provide a brief update on the status of a fixed guideway project in central Ohio.

For the last 15 months, COTA, along with the mid-Ohio regional planning commission, had been involved in a systems plan, the first step of what ultimately could determine the need for a fixed guideway project for our region.

That project is wrapping up and within the next month we expect to move into the second phase known as alternatives analysis where various alternatives will be considered in the high priority corridor, which in our area is the north corridor of the community.

This project will take approximately 15 months. That is the primary reason we are not in need of any funding. But we do wish to bring you up to date on what some of the findings suggest from the systems planning work.

First of all, let me say that the alternatives analysis work that will be done in fiscal years 1993 and 1994 is being done through funding provided by section 9 formula program to our area, STP highway funding, which we have worked creatively with our MPO to transfer to transit projects, and also local funds.

We would anticipate as we would move forward in this process that we would again try to find as many resources—other than new-start funds—as possible.

The alternative that is most promising in this plan is one that envisions a 12-mile fixed guideway line that runs from the downtown Columbus area which employs today over 90,000 workers, through the Ohio State University campus area, which employees over 30,000 workers and has 54,000 students and over 6 million annual visitors, to some other high density activity centers in our north corridor.

It appears that we are going to generate ridership and also achieve a degree of cost-effectiveness that hopefully will make this project worthy of consideration.

The anticipated ridership on this segment would be about 24,000 daily riders. Because we envision the use of an existing railroad right-of-way, a completely at grade project, we are looking at a moderate cost for construction and for buying vehicles, which could be somewhere in the order of $260 million. But we will know more about those numbers as we move through the alternatives analysis.

We are not seeking funds this year. I guess that is the good news. We wanted to take an opportunity to provide the committee with a status report. We did speak to you last year about initiating this activity. The community is taking a careful look at it. Our community is one of the years who has required referenda votes on these kinds of issues. I would anticipate that prior to coming to this committee next year that such a decision by the local community would have been made.

At that time, we will address the issues of local share commitments, overmatch, and we will be watching very carefully, Mr. Chairman, the criteria that you and your committee members develop, as we will respect the need to conform to those.

At an earlier date, we submitted some detail project descriptions of both the bus project that Congresswoman Pryce described as well as this fixed guideway project. With your permission, I would ask that these be included in the record.

Mr. CARR. Without objection, your prepared statement will appear in the record.

Mr. SIMONETTA. With that, I would conclude my remarks and thank you for the opportunity to present them. I would be happy to answer any questions.

[The prepared statement of Mr. Simonetta follows:]

Testimony by Rick Simonetta Before the House Transportation Appropriations Subcommittee, March 23, 1993

Thank you, Mr. Chairman, for the opportunity to testify in support of funding for a bus project in Columbus. I am the General Manager of the Central Ohio Transit Authority (COTA) which serves the Columbus urbanized area.

I am here to support a request by COTA for $17 million dollars to help finance the replacement of 77 old buses.

The old buses should be replaced for several reasons. First, they are becoming very expensive and difficult to maintain. Second, they break down frequently and are unreliable in scheduled service, Third, they do not meet federal emission standards, and fourth, they are not accessible to the disabled members of the community.

The new buses will help COTA maintain reliable service to the general public. The new lift equipped buses will dramatically improve service to the disabled and help Columbus satisfy the manadates of the Americans With Disabilities Act. The new buses will have clean burning diesel motors which can be fitted with particulate traps as emission standards are tightened.

Perhaps most important, if the Subcommittee will include funds in the FY 1994 Report, a contract will be activated for the manufacture of buses immediately after receiving the grant from the Federal Transit Administration, creating jobs needed to continue to stimulate economic recovery.

Let me explain this statement.

Last year, after funds were included in the FY 1993 Appropriations Report, COTA prepared bus specifications, solicited bids, and awarded a contract to the Flxible Corporation, subject only to the receipt of a grant from the Federal Transit Administration. FTA made the grant last month, and the contract was activated. Today, a significant number of Flxible employees in Ohio, and employees of Flxible suppliers located elsewhere in the United States, are at work manufacturing buses for delivery this summer. The funds earmarked by this Subcommittee in the FY 1993 Report are now making a significant contribution to our nation's economic recovery.

This performance will be repeated again, Mr. Chairman, if the Subcommittee can include $17 million for the purchase of 77 buses in the FY 1994 Report.

We asked the Flxible Corporation how many people would be required to manufacture 85 buses (the 77 we are requesting today to be financed from Section 3 discretionary funds plus 8 more buses COTA would order using apportioned funds). The answer is that 4,500 hours of work are required to produce one bus and that an order for 85 buses would employ the equivalent of 183 full time people working for one year.

COTA has demonstrated it can move quickly to produce contracts and jobs. If $17 million can be included in this year's Report, the equivalent 183 person years of work will be employed during the spring and summer of 1994 manufacturing buses. This will make a substantial additional contribution to the nation's economic recovery.

Let me now briefly describe the status of a proposed fixed guideway project in the North Corridor of Columbus.

Next month COTA and the Ohio-Regional Planning Commission will begin an analysis of fixed guideway alternatives in the North Corridor. One of the promising alternatives is a 12 mile light rail project connecting the downtown (with 90,000 employees), the Ohio State University campus (with 30,000 employees and 53,000 students) and activity centers to the North. This planning work is being financed with a combination of Section 9, highway STP money and local funds.

I believe a light rail project in Columbus may have great merit.

Based on planning work just completed, a light rail project will be cost/effective. The project is estimated to carry about 24,000 daily riders at a capital cost of about $270 million dollars. The capital cost will be moderate because construction will be at-grade in an existing railroad right-of-way.

The light rail project would be connected to a people mover being planned for the Ohio State campus, located 1½ miles from downtown. Ridership on the people mover is estimated to be 40,000 trips per day. The people mover would make an excellent collector and distributor for a light rail system. Construction of the people mover will be paid from University, not federal, funds.

COTA is not asking the Subcommittee now to incude funds in the FY 1994 Report for preliminary engineering. We do, however, expect to ask the Subcommittee next year for about $7 million to help finance preliminary engineering for this promising light rail project.

Mr. Chairman, with your permission, I would like to make part of the record a more detailed description of the light rail project, and a description of the request for $17 million this year for the purchase of buses. Copies of these descriptions were given yesterday to the Subcommitte staff.

Thank you very much for this opportunity to present testimony supporting the request for $17 million for the purchase of 77 replacement buses. I will be pleased to respond to any questions you may have.

DESCRIPTION OF THE PROPOSED BUS PURCHASE BY COLUMBUS AND A JUSTIFICATION FOR FEDERAL FUNDING

Description of the Project.

The Central Ohio Transit Authority (COTA) is proposing to purchase 85 new buses for its transit system. These new buses will replace an equal number of old buses. The total cost of these vehicles is estimated to be $23.5 million. The federal share would be $18.8 million. About $1.8 million for the purchase of 8 buses is programmed from apportioned FTA Section 9 funds. The balance, $17 million, is needed from the Section 3 bus category to help purchase 77 buses.

Federal Request.

COTA is requesting inclusion of $17 million in the Reports on the FY 1994 Transportation Appropriation Bill for the purchase of 77 buses.

Status of the Project.

Purchase of the buses has been authorized by the COTA Board of Directors.

An application for Section 9 funds will be transmitted to FTA in July, 1993. An application for Section 3 funds will be transmitted by October 1, 1993. If funds are included in the Conference Report, a grant can be expected from FTA by January, 1994.

Bid specifications have already been prepared. An RFP will be issued, and a bid awarded by the end of December, subject to the availability of the federal funds. A contract can be issued within one week of the receipt of the FTA grant, probably during January, 1994. Work on the manufacture of buses would begin in February for delivery during the summer of 1994.

Merits of the Project.

Eighty five buses now in service are old.

Eighty five buses in the COTA fleet will be 12 years old next year, when they should be replaced with new buses. The old vehicles require excessive and expensive maintenance. They break down frequently and therefore cannot be used to provide reliable, scheduled service. They are not equipped with lifts to make them accessible to the disabled. And they are powered with diesel motors which do not meet EPA standards.

These old buses meet the industry standard which calls for replacement of 12 year old vehicles.

Replacement buses are needed to maintain service to the general public and to increase service to the disabled.

The replacement buses are needed not only to maintain existing levels of transit service to the general public, but also to provide lift equipped, accessible service to those disabled by age or physical disability. The addition of 85 accessible buses to the fleet will help meet the requirements mandated by the Americans With Disabilities Act.

Air quality will be improved.

The new buses will be powered by advanced, clean burning diesel engines which will meet federal standards and help reduce ozone, which has caused the EPA to classify Columbus as a marginal non-attainment area. The buses will be constructed to so they can be fitted with particulate traps as standards for emissions are tightened.

All available Section 9 funds have been programmed.

All available Section 9 funds anticipated in FY 1994 have been programmed for the purchase of buses and other needed equipment and facilities.

A substantial number of well paid jobs will be created.

Our present supplier of buses, the Flxible Corporation, estimates that the manufacture of 85 buses will create 183 person years of employment. Work on the purchase order would begin in February, 1994 and be completed in August. This project, therefore, will contribute to the recovery of the economy during the six month period beginning in February of next year.

The project can be ready to go in January, 1994.

Early this year, COTA awarded a contract for the purchase of buses contingent upon receipt of a grant from FTA implementing an earmark in the FY 1993 Conference Committee Report. The grant was received in February which activated the contract. A significant number of manufacturing workers are now employed producing the buses. They are contributing to the economic recovery.

COTA is committed to equaling or bettering this performance again, if funds are included in the FY 94 Appropriations Report. If funds are included, a contingent contract for 85 buses will be awarded by December 30, 1993. The contract will be activated in January, when approval of the implementing grant is expected from FTA. Manufacturing work will begin in January or February. The equivalent of 183 persons working for a year will be employed during the following six months, contributing again to the nation's economic recovery.

Summary.

A group of 85 buses will be 12 years old when replaced. They are expensive to maintain, unreliable, inaccessible to the disabled, and do not meet clean air emmission standards. The new buses will maintain service levels for the general public, improve service for the disabled, and improve air quality. Apportioned transit funds have been programmed for other needed projects. The project will be ready to go in January, 1994. The equivalent of 184 well paid jobs will be provided during the spring and summer of 1994, contributing to the recovery of the economy.

DESCRIPTION OF A PROPOSED RAPID TRANSIT PROJECT IN COLUMBUS, AND A JUSTIFICATION FOR A FEDERAL REQUEST

Description of the Project.

The Central Ohio Transit Authority (COTA) and the Mid-Ohio Regional Planning Commission (MORPC) are evaluating several alternative rapid transit improvements in the North Corridor of Columbus. One of the promising alternatives is an 11 mile, at-grade light rail line plus a 1 mile connector to a people mover on the Ohio State University campus. The light rail line would connect the central business district, the campus of Ohio State University, and commercial and residential areas to the north. The line would have eleven stations, with four of these in the central business district. The location of the proposed project and the activity centers is shown on the attached map. The preliminary estimate of the total capital cost of the project is about $260 million.

Federal Request.

COTA will conduct an alternatives analysis and begin preliminary engineering on the project using a combination of federal Section 9 transit, STP highway, and local funds.

No Section 3 funds are requested for inclusion in the FY 1994 Transportation Appropriation Bill. A request, however, can be expected next year for about $7 million to be included in the new starts category in the FY 1995 Bill to complete preliminary engineering.

Status of the Project.

A systems plan will be completed in April, 1993. The plan recommends an evaluation of alternative fixed guideway projects in the North Corridor, including a 12 mile light rail project.

A request is pending before the Federal Transit Administration to begin the alternatives analysis/draft environmental impact phase of project development using a combination of local, federal Section 9 and STP highway funds.

Alternatives analysis will begin in May of this year and will be completed in August, 1994.

A proposition to dedicate local revenue for the construction and operation of a project is expected to be put before the voters in 1994 or 1995.

Ohio State University has completed a feasibility study of a people mover connecting activity centers on its campus. The light rail project would be connected to the people mover. The capital cost of the University project will be financed entirely with University funds. No federal funds will be requested.

Merits of the Light Rail Project.

A light rail project will serve the growing mobility needs of the Columbus metropolitan area.

The current population of the metropolitan planning area is 1 million. This number is expected to increase to 1.3 million by the year 2010. The proposed project will link the central business district (which currently employs 90,000) with the Ohio State University campus (which employs 30,000, enrolls 54,000 students and has 6 million annual visitors). The combined employment of these two centers, located just 1.4 miles apart, is comparable to that of downtown Cleveland, Portland, Sacramento and San Diego, which have successful rapid transit systems. The project also links large activity centers to the north, including Crosswoods (a 3 million square foot development which is now half built), and the Ohio Exposition Center (which attracts 5 million visitors annually). More detail on these and other activity centers along the proposed route of the light rail project is contained in Attachment 1. The project would link about one fourth of all the employment in the Columbus metropolitan area.

The project will attract a substantial number of riders.

Based on the recent systems planning study, ridership on the light rail project is estimated to be 24,000 per day, with about half of these diverted from existing buses. There will be substantial travel time savings for these diverted bus riders. For example, the time required to travel by bus from the north terminal station to downtown would be reduced from 48 to 20 minutes.

Capital costs of the project are relatively low.

The preliminary estimate of the total construction cost is about $260 million. A preliminary target is to request 60 per cent of the total, or $156 million, from the federal Section 3 program. The capital cost per mile would be about $22 million per mile, which compares favorably with many other rail projects in the country. Costs are expected to be relatively low because the project will be built at-grade in an existing rail right-of-way.

The project will connect to a people mover located on the campus of Ohio State University.

A feasibility study of a people mover project has been completed which can be connected to the light rail project. No federal funds will be requested for the construction of this project. The people mover is estimated to carry 40,000 daily trips. When linked to the light rail project, it will serve as an excellent collector and distributor of light rail trips, reinforcing ridership on both systems. Perhaps more significant, the two systems will link business resources in the central business district with the intellectual, research and development resources of the University, helping to create a potent incubator for high-tech industry and jobs.

Air quality will be improved.

Columbus is classified as a marginal non-attainment area for ozone by the Environmental Protection Agency. Construction of a light rail project will make a moderate reduction in ozone pollution.

A substantial number of well-paid job opportunities will be created.

The engineering and final design phase of the project will create a substantial number of highly-paid engineering job opportunities. The construction phase will create a very substantial number of construction job opportunities during the peak years of construction (1996-1999).

Summary.

Systems planning, and the alternatives analysis phase will be conducted using a combination of local, apportioned, and flexible highway funds. No discretionary Section 3 fund will be requested in the FY 1994 Appropriations Bill. Funds will be requested next year from the FY 1994 Bill for preliminary engineering, from the new starts category.

A light rail project in the North Corridor shows great promise. It will connect aobut one fourth of the area's employment centers and substantially improve mobility. The project is cost/effective because ridership will be substantial compared with construction costs. Construction costs will be relatively low because the facility will be at-grade and located in an existing railroad right-of-way. A substantial number of well-paid job opportunities will be created.

ATTACHMENT A

URBAN DEVELOPMENT IN
COLUMBUS NORTH CORRIDOR

Crosswoods (Northern Termini of Light Rail System)

Eleven miles north of the CBD at the intersection of the Columbus outerbelt, I-270, and the north-south commercial spine of the region, US 23, lies a 225 acre mixed use development, Crosswoods. Conceived in 1983, **about one-half of the proposed 3 million square feet of office space is built and occupied.** Several restaurants and over **1000 hotel rooms** are located within the development. Another one half million square feet of retail space is expected. The construction of a rail overpass in 1993 will open direct access to the dense residential neighborhoods of North Columbus. Crosswoods is located directly adjacent to Conrail right of way.

Ohio State Fairgrounds

Just six miles south on I-71, The Ohio State Exposition Center is spread over a 360 acre site. The Exposition Center is host to more than **200 annual events and attracts over five million people annually.** It is home to the Columbus Chill of the East Coast Hockey League. Over 3.4 million people attend the Ohio State Fair held during the first two weeks of August making the Ohio State Fair the "Worlds Largest State Fair".

Ohio Historical Society

Immediatly adjacent to the Exposition Center is the Ohio Historical Society, a private non profit organization that houses historical, archaeological and natural history exhibits in a museum. The Ohio Historical Society serves as the central depository of the state archives and has an extensive research library. The Historical Society assists in over 14,000 research requests annually as part of its education and outreach policy. Ohio Village, adjacent to and operated by the Historical Center, is a reconstructed 19th century community depicting the social, economic and political lifestyles of Ohioans during that period. Approximatley **170,000 people visit the Ohio Historical Society exhibits each year.** Relocation of the Ohio Railway Museum to the Historical Society grounds has recently been proposed.

The Ohio State University

One and one half miles west of the Ohio Exposition Center lies the 1,600 acre main campus of The Ohio State University. The University was established in 1870 as a land grant institute known as the Ohio Agricultural Mechanical College. Over the past 120 years the University has diversified the educational opportunities to include 19 colleges and 32 separate schools of study. While 13,000 students live in student housing on campus, **total enrollment has surpassed 54,000 making Ohio State the largest university in the United States.** The University is a major attraction in central Ohio and draws people locally, regionally, statewide and nationally. Almost **30,000 people are employed on the campus** grounds. **In addition to students and faculty, 6 million people visit the campus every year** for reasons ranging from Ohio State Buckeye football and basketball games to treatment at the Arthur James Research Hospital, one of only five hospitals in the United States dedicated to state of the art cancer research. The Wexner Center for the Visual Arts is becoming a mecca for performing and visual artists from around the world.

Downtown

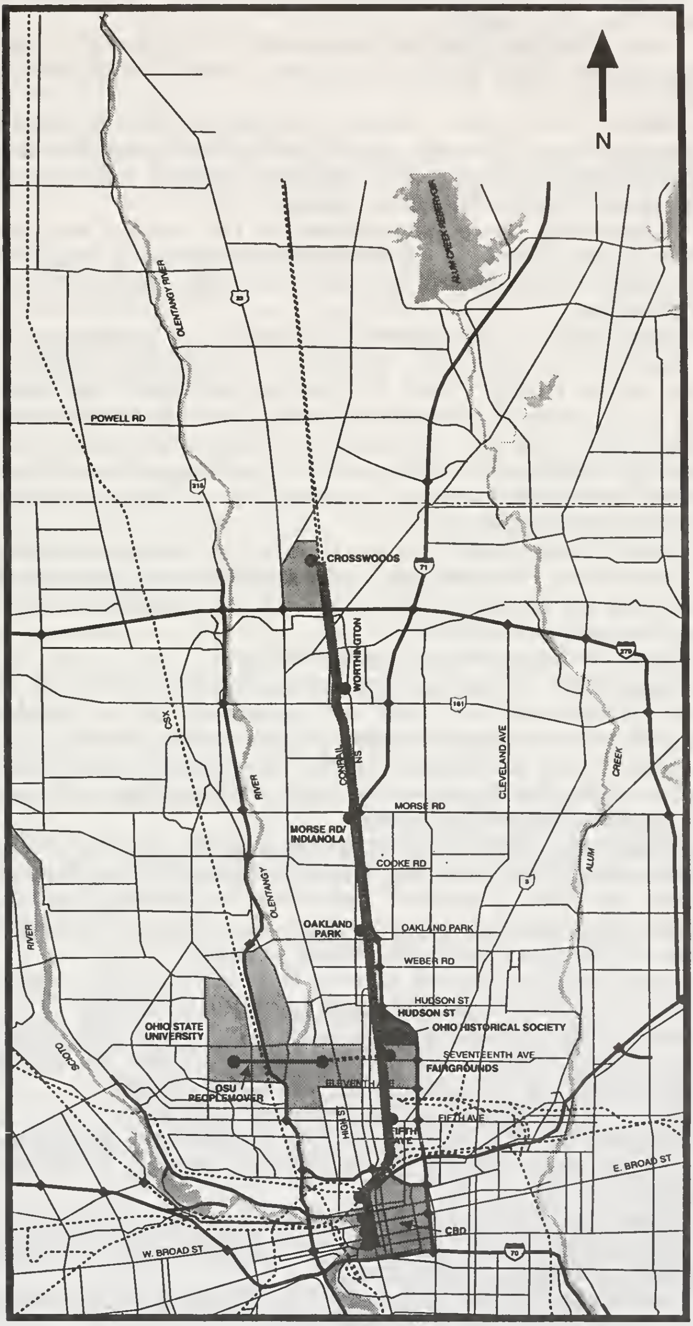
The Central Business District of the City of Columbus is bustling. Almost **100,000 people are employed** in the heart of the city. Not only is Columbus home to major corporations such as Nationwide Insurance, Midland Insurance, American Electric Power, the Bordon Company and the Huntington National Bank, Columbus serves as the government seat for the City of Columbus, Franklin County and the State of Ohio.

The City Center retail complex of 1.4 million sq.feet opened in 1990. This upscale center was developed by the Taubman Company and is anchored by Marshall Field's, Lazarus, and Jacobson's Department stores.

The Greater Columbus Convention Center offers 216,000 square feet of exhibit space plus additional meeting rooms. Columbus already takes full advantage of "outside convention space" by providing a variety of cultural entertainment activities which attract millions of people downtown every year. Columbus shuts down its Civic Center Drive to traffic and invites only pedestrians to the Scioto Riverfront to view the Greater Columbus Arts Festival, the Scioto Superfest, the spectacular Red, White and Boom Fourth of July celebration and Columbus Day USA.

Cultural and educational activity also abounds in the CBD which houses the Ohio Theater, the Riffe Center Performing Arts complex, the Palace Theater, Ohio's Center of Science and Industry, a new Main Library, The Columbus Art Museum, Franklin University, Columbus State University, Columbus College of Art and Design, and the new Columbus Convention Center. Community discussions are underway for development of a new arena in the downtown. A location and preliminary design study are also underway for a new multimodal transportation terminal in the downtown near the Convention Center.

COLUMBUS NORTH CORRIDOR TRANSIT PROJECT



Mr. CARR. What is the total population of the Columbus area?

Mr. SIMONETTA. The metropolitan area has a 1.2 million population as of the 1990 Census.

Mr. CARR. You say that the downtown workforce is about 90,000 employees. Are those State employees? How is that 90,000 figure derived?

Ms. PRYCE. I can't give a definite breakdown, but there is a lot of State employment, obviously the capitol of our State, but it is a big financial center there as well with many banks, insurance companies, the county government, et cetera.

Mr. SIMONETTA. State government is the largest employer followed by other forms of Government. There is a large Federal office, county office, city office, and then the banking and insurance industries.

Mr. CARR. Is there a dedicated local source of operating revenue?

Mr. SIMONETTA. Currently, we have a .25 percent sales tax dedicated to public transit. That will not be sufficient to develop any kind of an innovated guideway system. We would anticipate that the referendum vote that the public would have to entertain would be either an increase in that sales tax or a supplemental property tax. State law permits transit authorities in Ohio to either seek sales or property taxes.

Mr. CARR. When would you be considering that referendum?

Mr. SIMONETTA. That would really depend upon how the community receives the results of both the systems planning work as well at the alternatives analysis.

Mr. CARR. So that hasn't been scheduled?

Mr. SIMONETTA. That has not been scheduled. We are working with various groups and they are generally up to speed on the project, but we are always careful of these public issues.

Mr. CARR. You mentioned section 9—you are currently using some of your section 9 money. Are you anticipating using section 9 money for this light rail project?

Mr. SIMONETTA. Section 9 provides a little over $4 million per year in capital. That buys less than 20 buses. With a fleet of about 350 buses, we are in need of more bus replacement money each year than what the formula provides. That doesn't count for park-and-ride and shelters and other kinds of capital items.

Section 9 clearly does not give us the ability in the long-term to do much in the way of dedicating it to major products.

Depending upon what happens with fiscal year 1994 funding and funding beyond that, if more funds are available we will commit them and only look to section 3 for whatever is left.

Mr. CARR. What would be the projected match?

Mr. SIMONETTA. We have only had preliminary discussions, but they have centered around the 60 percent Federal, 40 percent non-Federal area.

Mr. CARR. If it is a 12-mile system, and you project currently about $260 million, that seems pretty expensive for something that is at grade on existing right-of-way.

Mr. SIMONETTA. I can only say that those are the preliminary numbers that came from the engineers.

The right-of-way provides a bit of complication. There are two active freight lines in the rail right-of-way. It requires shifting of operations and the consolidation of operations onto two of the lines. I believe in that particular task is where some of the added costs exist.

Mr. CARR. And that is Norfolk Southern and Conrail.

Mr. SIMONETTA. Right.

Mr. CARR. You project a ridership of 24,000. Did I get that right?

Mr. SIMONETTA. Yes.

Mr. CARR. How was that derived?

Mr. SIMONETTA. Through a modelling process generated by the consultant in consultation with the Federal Transit Administration.

The technical personnel are probably names that have been familiar to the transit industry for many years in developing these modeling techniques. We don't see that there has been anything unusual or extraordinary done in this process. It has attempted to conform to FTA guidelines thus far.

Mr. CARR. Mr. Wolf?

Mr. WOLF. Thank you, Mr. Chairman.

Welcome to the committee.

We had a similar problem of sharing the roadbeds with one of the same railroads for the Virginia Railway Express. It is a very complicated problem with regard to the liability. You might want to look at what we did.

Are they willing to work that out with you?

Mr. SIMONETTA. They have indicated a desire to do that. I have also had discussions with your executive director on that subject. And there are other examples around the country of where the railroads have been reasonably cooperative in accommodating these issues.

Mr. WOLF. We actually had to have legislation. That may be something you need to look at.

How much of the funding comes from State and local?

Mr. SIMONETTA. We anticipate a 20 percent non-Federal match. It will either all come from local sources or if the State of Ohio is willing and able to share, we will seek part of the non-Federal share from them.

Mr. WOLF. Would this be subject to the so-called economic stimulus?

Mr. SIMONETTA. No, sir.

Mr. WOLF. There would be nothing? You couldn't take advantage of this? There is money in the stimulus package for FTA.

Mr. SIMONETTA. We understand that, Mr. Wolf, and we do have some other projects that we're prepared to submit to the FTA on that, but they are not bus replacement projects. They are projects involving a radio system and a maintenance facility.

Mr. WOLF. It would seem that you would be eligible. You have put a lot of stress on the job creation. Although I felt that the package was a mistake and didn't support it, if it does pass, you might want to take a look at that because if you can create this many jobs—would the other project you're talking about create more jobs, or would this create more?

Mr. SIMONETTA. No, sir, it would not. It is only about a $3 million project. It would not create these jobs.

The problem that we have is that the buses that have been identified among those 77 will be 12 years of age in fiscal year 1994. So if we were to try to do something in fiscal year 1993, they would not be fully depreciated and we would suffer an economic penalty. We can look at that, but we typically would try to retire them at 12 years of age.

Mr. WOLF. I have no further questions. Thank you for coming before the committee.

Mr. CARR. Mr. DeLay?

Mr. DELAY. Thank you, Mr. Chairman.

I also welcome Congresswoman Pryce to this committee.

Ms. PRYCE. Thank you.

Mr. DELAY. Mr. Simonetta, do you have a locally dedicated tax?

Mr. SIMONETTA. Yes, we do, Congressman. We have a .25 percent sales tax county-wide.

Mr. DELAY. I know these are preliminary numbers and I won't hold you to them, but do you have a preliminary cost-effectiveness on the rail proposal?

Mr. SIMONETTA. That will generate from the final numbers in the systems planning report. It is a little ill time because it is not coming out until next month. But we needed to at least bring you up to date on what we knew to this point.

Mr. DELAY. I appreciate it. I appreciate the testimony of both of you.

Thank you, Mr. Chairman.

Mr. CARR. Thank you.

Is Columbus served by Amtrak?

Mr. SIMONETTA. Not currently. We hope to be at some point.

Mr. CARR. On the bus problem, what would be your response to an idea that the Federal Government really ought to go out with large procurement contracts, then instead of giving communities money, give communities buses?

Mr. SIMONETTA. The bottom line from an operator's standpoint is the need for buses. The mechanism would probably not be as important as the result.

I know the State of Pennsylvania had a State-wide consortium that did precisely that and generated a lot of satisfaction in a hurry for a lot of transit needs. So I am personally not opposed to it.

Mr. CARR. I guess you answered some of the questions, so thank you for being here.

Ms. PRYCE. Thank you very much.

TUESDAY, MARCH 23, 1993.

NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS (NARUC)

WITNESS

CLAUDE LIGON, COMMISSIONER, MARYLAND PUBLIC SERVICE COMMISSION, MEMBER AND FORMER CHAIR, NARUC COMMITTEE ON TRANSPORTATION

Mr. CARR. Our next witness will be from the National Association of Regulatory Utility Commissioners, Commissioner Claude Ligon.

We welcome you. You are a member of the Maryland Public Service commission and former Chair of the NARUC Committee on Transportation.

We welcome you here.

Commissioner LIGON. Thank you, Mr. Chairman.

It's our pleasure again, sir, to appear before you on behalf of the NARUC to request full funding for the DOT's safety and grants program.

I feel today as if I am really a friend of the court because we are in fact requesting that you find another agency's program. But we do stand to benefit in the States from the full funding of the safety programs.

As you are well aware, over the years the States have worked in concert with the Federal Government in many, many programs that are federally mandated or accomplished at the same level. We have been fortunate in the past to stay level of get funding for the programs. I would request again continued funding for most programs.

I am speaking particularly of three programs: the motor carrier, railroad, and pipeline safety program. I will mention that we did submit copies of our testimony for the record, so I won't read but just go through and perhaps highlight some of the points of the testimony.

Mr. CARR. Without objection, your prepared statement will appear in the record.

Commissioner LIGON. In particular, we are requesting that the Congress authorize $65 million for the motor carrier safety program, $10 million for natural gas and hazardous liquid pipeline safety program, and $3.5 million for the railroad safety grants and aid program.

The motor carrier safety program, as you might be aware, is a program whereby the States and the various State agencies or the State Department of Transportation, or the State Public Utility commissions.

We will conduct various roadside inspections of motor carriers passing through the State. This is designed for two reasons: to check the safety of the vehicle, but also to check the condition of the operator of the vehicle. That is becoming more and more important as time goes on because of the increased activity and interest in drug and alcohol use.

It is very important that these programs be continued to allow us at the State level to see and observe not only the vehicle, but the operator as well. So we do request that you would support, again, $65 million to be used as matching grants to the States to conduct these programs.

Of course, another very important program, of course, is the natural gas and hazardous liquid pipeline program. It was designed to conduct safety checks of the pipelines across the country carrying natural gas and other hazardous materials.

These pipelines do in fact carry the Nation's industry. Half of the Nation's energy is transported through these pipelines. They are, of course, transported at very high pressures, therefore making safety a very, very important concern. Of course, the pipelines do pass through heavily populated areas, making it more important to remain safe.

We request again that we do receive at the State level $10 million to conduct these very important programs.

And last but not least, the rail safety program is one that is also very important—and of course even more important because of recent events, particularly in Florida—but in the last several years we have not received funding at the State level for our State inspectors to help and assist in the rail safety program. This is one area where we feel there can be a great return on the money by allowing our State inspectors to become full partners with the Federal inspectors in conducting not only inspections of the train itself or the equipment, but also the track, of course, and the grade crossings. We are requesting that $3.5 million be allocated for this program.

And last but not least, we do as always request that you give full consideration to funding the Interstate Commerce Commission's budget when it is submitted. This is another very important regulatory body that works in concert with the States to ensure that we do have an efficient and safe transportation system. So we do fully support their request for their funding to allow them to continue to operate as a viable Federal agency.

With that, I certainly want to again thank the committee for allowing us each year to come forth to act, if you will, as a friend of the court in requesting funds for adequate safety programs at the State level.

[The prepared statement of Mr. Ligon follows:]

UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TRANSPORTATION AND RELATED AGENCIES

TESTIMONY OF

THE HONORABLE CLAUDE M. LIGON
MARYLAND PUBLIC SERVICE COMMISSION

NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS
1102 INTERSTATE COMMERCE COMMISSION BUILDING
TWELFTH STREET AND CONSTITUTION AVENUE, N.W.
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ON

FISCAL YEAR 1994 APPROPRIATIONS FOR
DEPARTMENT OF TRANSPORTATION (DOT) SAFETY GRANTS-IN-AID

March 23, 1993

My name is Claude Ligon and I am a Commissioner with the Maryland Public Service Commission. I also serve as a member and former Chair of the Committee on Transportation of the National Association of Regulatory Utility Commissioners (NARUC) on whose behalf I am testifying today.

The NARUC is a quasi-governmental nonprofit organization founded in 1889. Members include the governmental bodies engaged in the regulation of carriers and utilities from all fifty States, the District of Columbia, Puerto Rico, and the Virgin Islands. The NARUC's mission is to improve the quality and effectiveness of public utility regulation in America. Many of our members are responsible for the implementation of Federal safety laws relating to motor carriers and are participants in the Department of Transportation (DOT) programs established under those statutes.

The NARUC wishes to express its strong support for full funding for the Department of Transportation (DOT) motor carrier, railroad and pipeline safety programs for FY 1994. These grants-in-aid programs provide for voluntary State implementation of Federally-mandated safety standards through the sharing of up to 50% of the States' cost of implementing the programs (80% for the motor carrier safety program). Therefore, we would respectfully request the following funding levels: $65 million for motor carrier safety grants-in-aid; $10 million for the natural gas and hazardous liquid pipeline safety program grants-in-aid; and $3.5 million for railroad safety grants-in-aid.

These programs have greatly improved the safety of the Nation's transportation systems. They also provide tremendous efficiencies for the Federal government with respect to the enforcement of Federally-mandated safety standards. Despite the level of *scrutiny that budgets must undergo these days, these safety grant programs have shown to be highly efficient in achieving their goals, proving to be money well spent by the Federal government. Leveraging limited Federal monies through the mechanism of cost-sharing is economically efficient and provides a significant return by reducing the number of accidents. States, through this arrangement, contribute from 33% to over 90% of the man-power available for transportation safety enforcement at only a fraction of the Federal funding level which would otherwise be required.*

With increasing budget pressures, Congress has begun to pass the responsibility of implementing many Federal programs, such as the safety programs, on to the States, often times without adequate financial resources to implement the program. Like the Federal government, State's budgets are tight and most States are looking for ways to reduce costs. It is senseless for the Federal government to think that States can and will continue to cover the costs associated with the programs the Federal government creates, but does not fund.

The NARUC is vitally concerned about the future of these safety programs since our members include those State regulatory agencies which are charged with protection of the public interest. We strongly oppose any effort to eliminate or reduce funding for DOT safety grants-in-aid, and we are especially concerned with the trend of requesting no Federal funding for the rail safety program, which has not received funding since 1988.

The Motor Carrier Safety Assistance Program -- $65 Million

As part of the Surface Transportation Assistance Act of 1982, the Congress *established the Motor Carrier Safety Assistance Program (MCSAP) which provides Federal funds of up to 80% of a participating State's safety program costs. The MCSAP program has enabled the States to initiate or substantially increase their safety enforcement activities. Nearly all the State and the U.S. territories now participate in the MCSAP program. In addition to increasing the number of safety inspections and safety management audits performed each year, the program has also improved the quality and uniformity of these activities. By requiring the adoption of Federal safety regulations as a prerequisite for funding and monitoring the States' activities, the DOT has been able to utilize the program to achieve a high degree of standardization in safety enforcement across the country.*

Through the life of the program (1984-1991), State participation in the MCSAP has resulted in almost 7 million roadside safety inspections and over 700,000 hazardous materials inspections. During this same time frame, 2,729,079 vehicles and 546,926 drivers have been placed out-of-service as a result of these inspections. Safety inspections in 1991 were nine times the number performed in 1984, the beginning year of the program. In 1991, the latest year for which figures are available, 51 of the 56 eligible jurisdictions participated in the program. The participants conducted almost 1.6 million inspections, nearly 10% of which were hazardous-materials related inspections. The MCSAP has made these inspections possible by funding and training State safety inspectors.

The NARUC supports a funding level of at least $65 million for the MCSAP program for FY 1994. This level of funding would be equal to the amount appropriated for FY1993.

The NARUC would also support any additional funding that the DOT may request when they send their budget to Congress in a couple of weeks. In support of this funding level, we would stress that the success of the Federal-State partnership in motor carrier safety is increasingly evident. It is critical to the safety of our highways that both the Federal and State commitment to the uniform enforcement of motor carrier regulations be maintained at the highest possible level. Full funding of the Administration's request will help ensure that this commitment is fulfilled.

Natural Gas And Hazardous Liquid Pipeline Safety Grants-In-Aid Program -- $10 Million

As you know, the Natural Gas Pipeline Safety Act of 1968 provided up to 50 percent Federal funding for States that agreed to assume responsibility for enforcement of the Act. Although the program's mandates are being fulfilled by the States, the Federal government has failed to provide the financial support that was intended by the Act. In fact, from fiscal year 1985 through 1989, no appropriation exceeded 31% of total State program costs, and this funding has fallen to as low as 26% of total State expenditures.

Aside from continuing to lag behind in their financial support of the pipeline safety programs, the federal government is still adding to the requirements of the program. States are now implementing rules on Drug Testing and a final rule for Alcohol Testing will be finished later this year. While we support the goals of these new requirements, they add to the States' total cost if implementing the program. With the addition of these *requirements, States' costs have increased above the amount of recent increases in Federal appropriations.*

Recognizing the seriousness of this situation, the NARUC Committee on Gas sponsored a resolution that was adopted at the NARUC 102nd Annual Convention in 1990 requesting the Congress to increase funding to the 50 percent level of States' expenditures. This sentiment is still strongly supported by the NARUC today.

We believe that, given the fact that natural gas and hazardous liquid pipelines in the United States total one and three-quarter million miles and transport more than half of the Nation's energy supply, the importance of continued funding for this program cannot be overstated. It is critical to the safety of our citizens that these pipelines, which carry large quantities of extremely volatile substances, often under high pressure and in increasingly densely populated areas, remain under the intense scrutiny made possible by effective State inspection programs. Anything less could expose large segments of the population to risks of potentially catastrophic proportions and a disruption of vital energy supplies.

Congress appropriated $7 million for this program in FY1992 and FY1993. State expenditures reached more than $20 million in FY1992 and are expected to increase in FY1993. By appropriating less than 50% of the States' expenditure level, the Federal Government fell short on its commitment by $3 million in FY1992 alone. The funding levels included in the Pipeline Safety Reauthorization legislation (P.L. 102-508) will fall below 50% of what the States actually spent on their safety and inspection programs as indicated above. Therefore, we respectfully request a funding level of $10 million dollars *for FY1994 which would meet the intended 50% funding level of the Pipeline Safety Act.*

Railroad Safety Grants-In-Aid Program -- $3.5 Million

The motor carrier and gas pipeline safety programs in which NARUC members participate have been cited as outstanding examples of Federal-State cooperation. Unfortunately, the same cannot be said for the rail safety program managed by the DOT Federal Railroad Administration (FRA). The NARUC hopes that the Clinton Administration will not follow in the footsteps of the previous Administration in their lack of commitment to rail safety, as demonstrated by its zero funding for rail safety grants since 1988. Lack of funding is not consistent with the support that transportation safety programs generally receive and is contrary to the public interest and Congress's intent in enacting statutory safety requirements.

Until fiscal year 1989, the FRA partially funded State safety inspection programs. The number of rail accidents had declined steadily in the preceding years and, according to a NARUC survey, this welcome decline was in direct correlation to the increase in the number of States participating in the FRA's Railroad Safety Grants-In-Aid Program. Due to the elimination of Federal funding, rail operations are less safe than they should be. This cannot be Congress' desire. There were 568 motorist who were killed at public grade crossings in 1990 and in 1991, there were 608 deaths as a result of 5,386 crashes nationwide.

The States' authority in railroad safety enforcement was preempted by the Railroad Safety Act of 1970, when power was delegated to the FRA and the DOT. Additionally, *States cannot assess and retain fines for violations of FRA regulations by the railroads. Retention of these funds would give States the needed revenue to support their integral role in the promotion of a safe national rail system.*

Congress must recognize that, absent Federal funding, States need the authority to fund their programs independently. Funding State programs through a combination of direct assessments and the collection of fines is consistent with other areas of safety regulation, creates an increased incentive for safe operations, and would establish an equitable balance between Federal, State, and industry responsibilities. It seems unreasonable that the Federal government would prevent the improvement of the Rail Safety Program by withholding federal funds and preventing States from collecting fines which would help support State efforts to improve rail safety.

Despite the lack of Federal funding during recent years, 29 States continue to participate in the Federal rail safety program. These States have met the challenge set out in the Federal law and currently employ 118 FRA-certified inspectors, and have 9 more inspectors in training. These State inspectors, according to a 1990 General Accounting Office (GAO) report, performed 45 percent of the track inspections on the 400,000 miles of track and performed 33 percent of the equipment inspections.

Without the participation of the States, the FRA would be unable to meet its safety responsibilities to the public. The rail safety grants program has shown itself to be effective and less expensive to the government than if the FRA were to undertake full enforcement. The problem of inadequate rail safety in the United States cannot be resolved until an effective Federal-State relationship is re-established.

The NARUC would strongly urge you to ignore any request for zero funding and appropriate the amount necessary to fully fund the railroad safety grant program in FY1994. We therefore respectfully request that $3.5 million be appropriated for this important program.

Fiscal Year 1994 Budget Request of the Interstate Commerce Commission

The NARUC also respectfully requests full funding for the Interstate Commerce Commission. While the ICC has not yet formally submitted their initial 1994 budget request, we are confident that they will have considered the request carefully mindful of the trend toward reducing the number of staff and agency resources.

The drastic cuts personnel and resources have hampered the ability of the ICC to conduct their statutorily mandated duties in the quality and style to which they are accustom. The NARUC hopes that the Congress will realize that the ICC cannot properly perform their duties while continuing to adjust to a radically reduced staffing levels year after year. The NARUC therefore, calls upon the Congress to reverse the trend toward drastic cuts for the ICC budget and to adopt the FY1994 budget for the Interstate Commerce Commission as proposed by the ICC.

Thank you for the opportunity to present the NARUC position on these important programs. I would be happy to answer any questions that you might have.

Appendix A

MCSAP PROGRAM ACTIVITY OVERVIEW

FISCAL YEAR	HAZARDOUS MATERIALS INSPECTIONS	NON-HAZ. MATERIALS INSPECTIONS	BUS INSP.	TOTAL INSP.	OUT-OF-SERVICE VEHICLES	OUT-OF-SERVICE DRIVERS	CARRIER REVIEWS
1984	16,648	142,082	564	159,294	49,604	9,273	114
1985	38,819	332,021	4,045	374,883	107,583	23,557	1,236
1986	58,906	488,854	11,540	559,300	218,144	43,177	1,652
1987	96,960	890,361	16,473	1,003,794	370,088	57,654	2,453
1988	117,354	1,110,041	26,681	1,254,076	470,836	83,149	4,472
1989	112,860	1,165,751	23,842	1,302,453	474,132	91,218	10,233
1990	137,150	1,430,735	53,345	1,601,230	541,575	112,381	9,863
1991	145,703	1,401,781	26,704	1,574,188	497,117	126,517	9,571
TOTALS	724,400	6,961,626	143,194	7,829,220	2,729,079	546,926	39,594

Source: Federal Highway Administration, Office of Motor Carrier Field Operations, Accomplishments and Effectiveness Annual Report, Fiscal Year 1991. *FWHA Office of Motor Carriers, May 1992.*

Appendix B

Resolution Supporting Increased Federal Funding of the Natural Gas Pipeline Safety Act

WHEREAS, *Public Law 90-481, enacted by the Ninetieth Congress on August 12, 1968, authorized the Secretary of Transportation to prescribe safety standards for the transportation of natural and other gas by pipeline, and further authorized the Secretary to pay up to fifty percentum of the cost of the personnel, equipment and activities of a State agency to carry out the mandate of the Act; and*

WHEREAS, *There has been no instance since the inception of the Act whereby Congress appropriated adequate funds to meet the objectives of the Act; and*

WHEREAS, *During the period of 1985 through 1989 no Federal appropriation exceeded thirty-one percent of total State program costs; and*

WHEREAS, *The National Association of Regulatory Utility Commissioners (NARUC), through its Committee on Gas, monitors the effectiveness of the Gas Safety Program, and finds it to be a unique and essential program of Federal-State cooperation which has contributed greatly to the safe construction and operation of the natural gas pipeline network throughout the country; now, therefore, be it*

RESOLVED, *That the National Association of Regulatory Utility Commissioners (NARUC), convened at its 102nd Annual Convention in Orlando, Florida, urgently requests Congress and the Department of Transportation to increase funding for the Natural Gas Pipeline Safety Program to levels which will provide for fifty percent of the costs of personnel, equipment and activities of a State agency in the exercise of its duties to carry out the provisions of the Natural Gas Pipeline Safety Act of 1968.*

Sponsored by the Committee on Gas
Adopted November 14, 1990
NARUC Bulletin No. 47-1990, page 5.

Mr. CARR. I thank you for your testimony and your time in being here.

Mr. Wolf?

Mr. WOLF. I have no questions. Thank you.

Mr. CARR. Mr. DeLay?

Mr. DELAY. I have just one question, Mr. Chairman.

Mr. Ligon, can you tell me what function the ICC plays that is so important for the local regulatory agencies?

Commissioner LIGON. The ICC and the local States work together in assuring mainly that the truckers are insured properly. Which is also a function of protecting the safety of the public. We want to ensure that the carriers do carry a proper amount of insurance in case they are involved in accidents. And the ICC plays a very important part in regulating and ensuring that one function.

Mr. DELAY. That could be done by the States, even without ICC? Don't the State enforcement officers that stop these trucks and check them?

Commissioner LIGON. Ironically, the Federal Government recently removed from the States the ability to really regulate a lot of the motor carriers passing through the States.

Mr. DELAY. I am not talking about economic hardship.

Commissioner LIGON. Also to the degree of insurance regulation. You approve the program whereby a certain base State, of course, could require to see the insurance of a given carrier, but we felt strongly that the individual States should still have that function also to make it more efficient and to ensure that all the motor carriers are operating safely throughout the States and across the Nation.

Mr. DELAY. Thank you, Mr. Chairman.

Mr. CARR. Thank you, Mr. Ligon, we appreciate you being here.

Commissioner LIGON. I appreciate it. Thank you.

TUESDAY, MARCH 23, 1993.

GREAT LAKES MID-ATLANTIC CORRIDOR COMMITTEE OHIO TURNPIKE COMMISSION

WITNESSES

RAY CADWALLADER, EXECUTIVE DIRECTOR, GREAT LAKES MID-ATLANTIC CORRIDOR COMMITTEE, CINCINNATI, OH

JAMES BRENNAN, PROJECT COORDINATOR, OHIO TURNPIKE COMMISSION, CINCINNATI, OH

Mr. CARR. Our next witnesses will be Mr. Ray Cadwallader and Mr. James Brennan. Mr. Cadwallader is the executive director of the Great Lakes Mid–Atlantic Corridor Committee and Mr. Brennan is the project coordinator for the Ohio Turnpike Commission.

[Showing maps.]

Mr. CADWALLADER. The Great Lakes mid-atlantic corridor is a concept that has been developed that actually connects Detroit and Chicago through existing interstates, down through Ohio, West Virginia, part of Virginia, and North and South Carolina. That is the red line here.

The Ohio part of it basically connects I–74, which dead-ends in Cincinnati coming from Indianapolis, Chicago, or Peoria, and then 23, which basically starts here, but is a continuation of 75. That is the geography of it.

Mr. Chairman and members of the committee, we are delighted to have the opportunity to meet with you and your committee and briefly discussed the Great Lakes mid-atlantic corridor, which is identified in the Surface Transportation Act as Ohio I–73/I–74 passed by Congress.

However, it is only as important as the implementation of it. A plan is wasted effort if it lays on the shelf.

In Ohio, the Ohio Department of Transportation has been hard at work undertaking and completing a long-range plan which has been requested by the Federal Highway Administration identified as Access Ohio. The first phase of that plan is about to come out. There were two elements to it. The macro study has been completed and is about to be publicized.

This plan identifies the court order that we were talking about this morning in which a specific element is the project about which we are here today, the Fostoria Project. This project is an important element of the entire Great Lakes mid-Atlantic corridor. I might add here that another important element is a crossing of the Maumee River headed toward Detroit and toward Michigan, which becomes an important element for traffic to flow to the east rather than the present route, which is a little bit circuitous. This project is an important element of the Great Lakes mid-atlantic corridor and is far enough along to quality for funding of construction.

We have included a letter in our presentation a letter from the State director of transportation, Department of Transportation, Jerry Wray, which does identify this project as one of the projects in the State STIP program that has already been presented to the Federal Highway Administration.

We understand that the ODOT has the financial capability to undertake and complete the planning of this project. So we are actually here requesting the commencement of the construction of the project.

Governor Voinovich has endorsed this corridor as being critical to the continued improvement of Ohio's infrastructure and economy. Various municipal corporations have passed resolutions endorsing the corridor, including the city of Toledo, Fostoria, Oregon, Sylvania, Carey, Upper Sandusky, Marion, Delaware, Columbus, Circleville, Chillicothe, Waverly, Portsmouth, Cincinnati, Mariemont, and Fairfax. Mr. Chairman, 23 of all the county commissions through which this corridor in Ohio passes have passed resolutions of endorsement.

Interestingly enough, the Surface Transportation Act—and I will ask Mr. Brennan to speak to that—has been in operation for 44 years and has successfully run the Ohio Turnpike, which was opened in 1955 connecting the Pennsylvania Turnpike to the Indiana Turnpike across the northern part of Ohio.

This commission had conceptual plans to undertake and complete the corridor we're discussing today, that being a north/south spine. However, it was restricted in pursuing this matter because of national policy that did not allow perpetuation of toll roads after payoff of original bonded indebtedness. This restriction was lifted in 1991 and the Ohio Turnpike Commission has been requested by Governor Voinovich to become involved in the corridor program.

Before you sits Mr. Brennan, who was formerly chairman of the Turnpike Commission until he retired from that post and became project coordinator, representing the Ohio Turnpike Commission for that part of the project, the corridor in Ohio.

The corridor has its main emphasis in Ohio and West Virginia, not only Indiana, Michigan, Virginia, North Carolina, and South Carolina also are positively affected. Senator Byrd and Congressman Rahall of West Virginia can speak to that part of the corridor in their State.

As of 1992, all the United States Senators and Congressmen in Ohio through which the corridor passes have supported the program. As all other projects of the corridor become active for funding, you will probably become acquainted with the remaining Ohio congressional members and their interests.

Our request is for $40 million, which figure will be incorporated into more specific documents to be presented by the consortium of the Ohio Turnpike Commission and the Ohio Department of Transportation as the project evolves.

I thank you for allowing me this presentation. I would like to give a couple of additional comments.

One is that the Ohio Turnpike Commission and the Ohio Department of Transportation are in relatively recent fashion starting to cooperate in a very massive project here. Maybe Mr. Brennan would like to take over now and make a few comments as to where the Ohio Turnpike Commission is in this grand plan.

Mr. BRENNAN. Without any great detail, the Ohio Turnpike Authority has permission to engage in projects the Governor designates as being important to the State transportation network. Our governor has decided that this corridor is an important element of our State transportation network, as are several other projects, including the Maumee River Crossing at Toledo, some additional turnpike interchanges, and things of that nature. That allows us to become involved in this project.

We have an ability currently to issue bonds up to $500 million on the basis of income stream. I am not suggesting that we would issue all of those at any one time, nor would we necessarily issue those for this particular project. But the point in fact is that we do have the ability to raise the money.

If you have any questions, we will be glad to answer them for you.

[The joint prepared statement of Mr. Cadwallader and Brennan follows:]

TO:
HONORABLE ROBERT CARR CHAIRMAN
TRANSPORTATION SUBCOMMITTEE
HOUSE APPROPRIATIONS COMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES

FROM:
GREAT LAKES MID-ATLANTIC CORRIDOR COMMITTEE
OHIO TURNPIKE COMMISSION

REGARDING:
WRITTEN MATERIAL IN CONJUNCTION WITH ORAL PRESENTATION MADE TO COMMITTEE ON MARCH 23, 1993

We are delighted to have the opportunity to meet with your Committee and briefly discuss the GREAT LAKES MID-ATLANTIC CORRIDOR (Ohio I-73/I-74) as designated in the INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT (ISTEA) passed by CONGRESS. You are to be commended for that far reaching legislation and its positive impact on our country. That Act, however, is only as important as the implementation of it. A plan is wasted effort if it lays on the shelf.

In Ohio, the Ohio Department of Transportation has been hard at work to update its long range plans for intermodal transportation. "ACCESS OHIO" is a multi-year study that investigates all modes of transportation in Ohio and how these modes correlate with national and contiguous state planning. This study, at a cost of more than $2,000,000, is divided into two elements. The first element -a macro study- has been completed and is about to be publicized. This plan identifies the "CORRIDOR" in which a specific element is the project about which we are here today, it being the Fostoria Bypass project. This project is an important element of the entire GREAT LAKES MID-ATLANTIC CORRIDOR and is far enough along to qualify for funding of construction. Included as exhibit A is a recent letter from Director Jerry Wray of the Ohio Department of Transportation which identifies this project as FOSTORIA, SENECA COUNTY 23-8.33 at a preliminary cost of $40,000,000. This project has already been identified to the Federal Highway Administration in the State of Ohio Transportation Improvement Program (STIP). We understand that the Ohio Department of Transportation already has the financial capability to undertake and complete the planning of this project. The appropriation requested by us is for construction.

Governor George Voinovich has endorsed this Corridor as being critical to the continued improvement of Ohio's infrastructure and economy. Various municipal corporations have passed resolutions endorsing the "CORRIDOR" including the cities of Toledo, Fostoria, Oregon, Sylvania, Carey, Upper Sandusky, Marion, Delaware, Columbus, Circleville, Chillicothe, Waverly, Portsmouth, Cincinnati, Mariemont and Fairfax. The twenty three County Commissions through which the "CORRIDOR" passes have also passed resolutions of endorsement.

The Ohio Turnpike Commission has been in operation in Ohio for the past 44 years and has successfully run the Ohio Turnpike which was opened in 1955 connecting the Pennsylvania Turnpike to the Indiana Turnpike across the Northern part of Ohio. This Commission, interestingly enough, had conceptual plans to undertake and complete this "CORRIDOR" (a North to South spine), however, was restricted in pursuing this matter because of National Policy that did not allow perpetuation of toll roads after pay off of original bonded indebtedness. This restriction was lifted in 1991 and the Ohio Turnpike Commission has been requested by Governor Voinovich to become involved in the "CORRIDOR" program. Before you sits Mr. James Brennan who was formerly Chairman of the Ohio Turnpike Commission until he retired from that post to become Project Coordinator representing the Ohio Turnpike Commission for that part of the "CORRIDOR" in Ohio.

The "CORRIDOR" has its main emphasis in Ohio and West Virginia. Illinois, Indiana, Michigan, Virginia, North Carolina and South Carolina are also positively affected. Senator Byrd and Congressman Rahall of West Virginia can speak to that part of the "CORRIDOR" in their State. As of 1992, all of the U.S. Senators and Congresspersons in Ohio through whose district the "CORRIDOR" passes have supported the program. We are priviledged to have Congressmen Michael Oxley, Paul Gillmor and David Hobson or their aids with us today to express their positive interest in the Fostoria Bypass part of the "CORRIDOR".

As other parts of the "CORRIDOR" become active for funding, you will probably become acquainted with the remaining Ohio Congressional members and their interest.

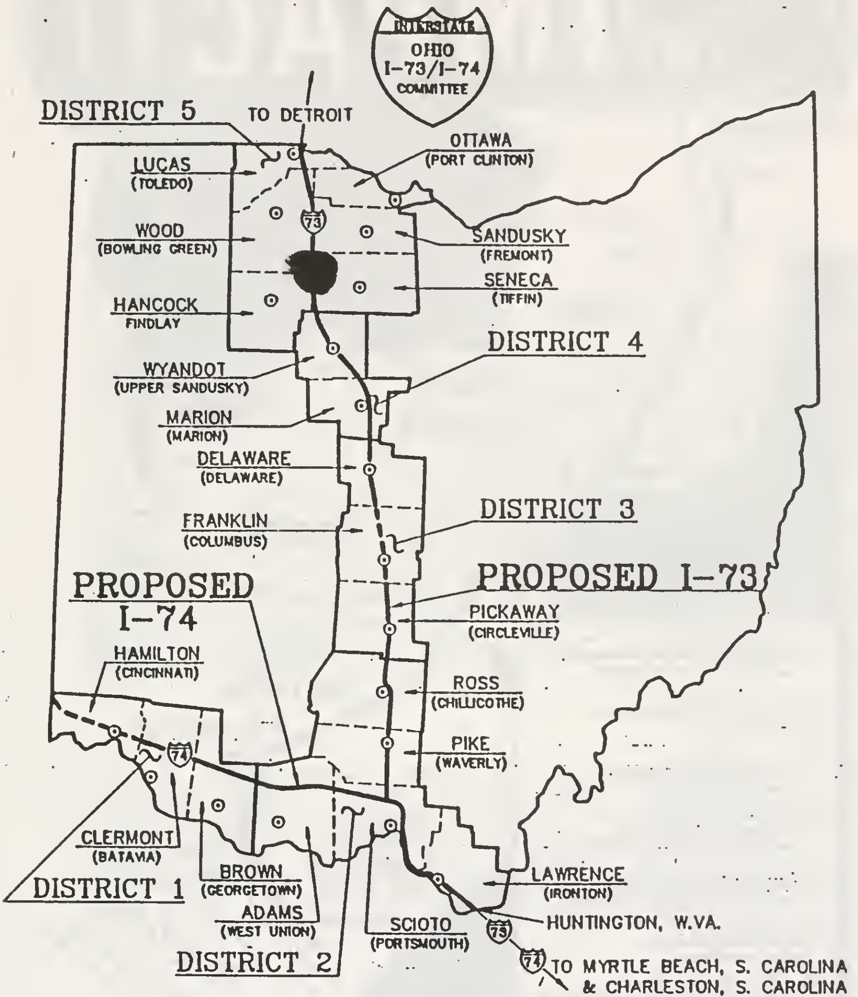
Our request is for Forty Million Dollars ($40,000,000) which figure will be incorporated into more specific documents to be presented by the Consortium of the Ohio Turnpike Commission and the Ohio Department of Transportation as the project evolves.

Respectfully submitted,

Ray Cadwallader, Executive Director
Great Lakes Mid-Atlantic Corridor Committee

James Brennan, Project Coordinator
Ohio Turnpike Commission

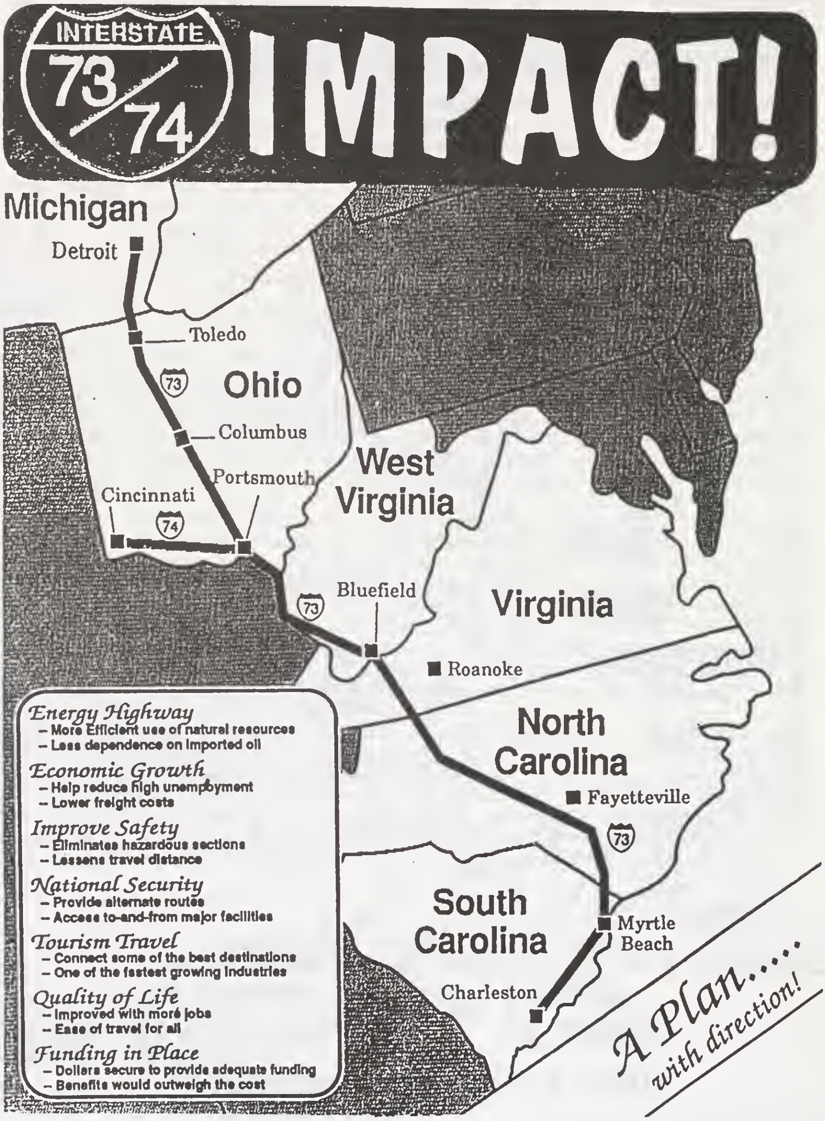
CONCEPT FOR IMPROVEMENTS & ADDITION OF OHIO HIGHWAYS TO FEDERAL PLAN



OHIO I-73/I-74 COMMITTEE

This map prepared by:
CLYDE S. WILLIS
SCIOTO COUNTY ENGINEER

⊙ DESIGNATES COUNTY SEAT



IMPACT!

Energy Highway
- More Efficient use of natural resources
- Less dependence on imported oil

Economic Growth
- Help reduce high unemployment
- Lower freight costs

Improve Safety
- Eliminates hazardous sections
- Lessens travel distance

National Security
- Provide alternate routes
- Access to-and-from major facilities

Tourism Travel
- Connect some of the best destinations
- One of the fastest growing industries

Quality of Life
- Improved with more jobs
- Ease of travel for all

Funding in Place
- Dollars secure to provide adequate funding
- Benefits would outweigh the cost

A Plan.....
with direction!

OHIO
INTERSTATE
73/74

GREAT LAKES
MID-ATLANTIC
CORRIDOR COMMITTEE

6936 Crystal Springs Road
Cincinnati, OH 45227
Tel. No. (513) 271-7963
Fax No. (513) 271-6646

INTRODUCTION TO
GREAT LAKES MID-ATLANTIC CORRIDOR COMMITTEE

WHAT IS GLMAC ?

In March, 1991 a group of interested citizens, elected public officials, labor representatives and Chamber executives met in Portsmouth, Ohio to discuss feasibility of a new highway corridor to benefit the State of Ohio. As a result of this meeting, the I-73/I-74 Ohio Committee was formed. Upon traveling to Washington D.C. to inform our Congressmen, it was suggested by Leadership of the House of Representatives of Congress that we change our name to Great Lakes Mid-Atlantic Corridor Committee (GLMAC) and we did. Our first year's activities were spent organizing our Statewide Committee, establishing five districts (basically by metropolitan statistical area), establishing a Technical Committee for each district (made up of county engineers, planners, etc.), soliciting resolutions of endorsement from interested public and private organizations and educating our national and state legislators about our program. Our efforts in Washington D.C. gained us statewide recognition by inclusion of the Great Lakes Mid-Atlantic Corridor as a high priority corridor in the 1991 Intermodal Surface Transportation Efficiency Act (ISTEA). This Act authorizes one hundred fifty one billion dollars ($151,000,000,000) for purposes identified in the Act.

WHAT IS THE CORRIDOR ?

The Great Lakes Mid-Atlantic Corridor is a regional corridor connecting Chicago, Peoria, Detroit, Toledo, Indianapolis, Cincinnati, Columbus, Portsmouth, Huntington, Bluefield(W.Va.), Myrtle Beach(N.Car.), Charleston(S.Carolina) and all smaller communities along the Corridor. Such present routes as the Appalachia Highway, State Route Routes 23 and 32 in Ohio and Route 52 in West Virginia do an inadequate job of serving this need (refer to maps). Many parts of this Corridor are already in place. The major investment is in Ohio and West Virginia.

WHAT DOES THE 1991 SURFACE TRANSPORTATION ACT DO ?

This Act dramatically changes how Federal regulations relate to expenditure of Federal Dollars. For instance, States may create toll roads with this money in order to underwrite the local matching of Federal dollars. Also, specifications can be written by the respective states in line with their needs rather than the need of a Federally approved limited-access high speed highway. Many other new criteria were included that are too numerous to mention. Congress paid special attention to requirements that these new corridors MUST SERVE ECONOMIC DEVELOPMENT needs of the private sector. New industrial areas should be accessed. NEW JOBS IN HIGH UNEMPLOYMENT AREAS must be created. This must be done with as little impact as possible to the environment.

WHAT IS "ACCESS OHIO" ?

GLMAC discovered early in our efforts that Ohio was remiss in its long range planning of transportation. Through the efforts of many organizations including GLMAC, the Ohio Department of Transportation embarked upon a two year long range multimodal transportation study called "Access Ohio" which is about half completed as of March 1, 1993. This much needed study will be the major instrument for presentation of Ohio's transportation needs through the year 2020 and will help in procurring federal financial assistance.

WHAT IS THE OHIO TURNPIKE COMMISSION ?

The Ohio Turnpike Commission (OTC) was established in the 1950s as a special purpose state agency to undertake and complete a major East-West limited access road to connect the Pennsylvania Turnpike with the Indiana Turnpike. In 1992 the (OTC) was given perpetual life by the Federal Highway Administration. The (OTC) originally wanted to complete a North-South highway not unlike the existing Turnpike, however, did not pursue the matter at that time. Governor Voinovich has requested the (OTC) to undertake this mission. (OTC) has employed a Coordinator to proceed with early stages of discussion and planning on this corridor. We are in close contact with the (OTC) on this matter.

WHAT DOES THIS NEW CORRIDOR MEAN FOR THE PRIVATE SECTOR OF OHIO ?

It means that all of Ohio will finally have READY ACCESS to a major divided highway for all regions of the State and better access to the States of West Virginia, Virginia, North Carolina and South Carolina. South Central Ohio, for example, has always had difficulties with unemployment due in no small degree to the lack of good highway transportation. Ohio Bureau of Employment Services data vividly shows this with their maps depicting, county by county, Ohio's unemployment statistics. These maps show the positive impact of I-75 for Western Ohio and I-71 for the corridor from Cincinnati through Columbus to Cleveland.

Ohio Contractors Association research data states that $100,000,000 OF HIGHWAY CONSTRUCTION will create 2,060 new permanent JOBS and $69,000,000 in annual WAGES.

As Ohio begins to LOSE its position in the DEFENSE INDUSTRY, this program presents a major OPPORTUNITY to REPLACE those LOST JOBS with new ones over a comparable period of time.

WHO PARTICIPATES IN THE EFFORTS OF THE GLMAC COMMITTEE ?

We have endorsements and participation from County Commissions of Lucas, Seneca, Wyandot, Ottawa, Sandusky, Marion, Delaware, Franklin, Pickaway, Lawrance, Scioto, Adams, Ross, Pike, Brown, Clermont and Hamilton Counties. Each of these counties is involved through their Commissioners and County Engineers. Various regional planning agencies and district offices of Ohio Department of Transportation participate. We have many trade unions as active members, including the Carpenters, Operating Engineers and Building Trades. Cities of Toledo, Oregon, Sylvania, Columbus, Cincinnati, Fostoria, Marion, Delaware, Circleville, Chillicothe, and Portsmouth have endorsed the Committee's program. Many smaller communities have also endorsed our program. Our dialogue with ODOT and the Ohio Legislature is excellent.

WHAT ARE PAST ACCOMPLISHMENTS AND FUTURE TASKS OF GLMAC ?

Past:

We have already undertaken and completed two major data collection missions as follows:

1. Developed an inventory of economic generators that are within the Corridor to include , but not be limited to, airports, seaports, industrial parks, research parks, tourism attractions, major sports complexes, etc.

2. Developed a list of priority projects within the Corridor that can be placed on a fast track for implementation.

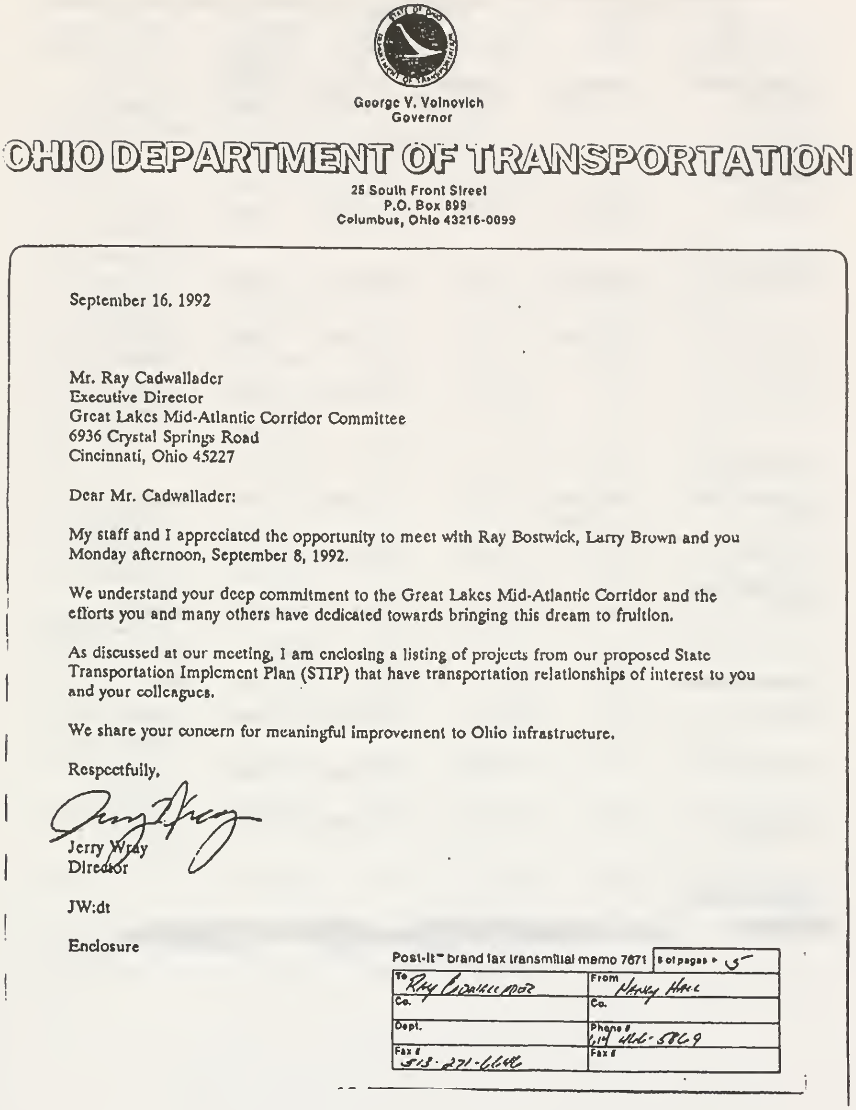
These projects have been submitted to ODOT .

Future:

These priority projects will become one basis for future submission of demonstration grant applications to the Federal Highway Administration. We will be constantly pursuing responsible State and Federal Agencies toward successful conclusion of our desired program of a new corridor for Ohio including use of existing satisfactory highways and construction of new infrastructure where required.

Our future responsibilities will also include:

- MONITORING all aspects of OHIO'S INVOLVEMENT in the Surface Transportation Act as it applies to the Corridor
- ASSISTING local PUBLIC AGENCIES in obtaining FINANCIAL ASSISTANCE for compatable programs and projects.
- EDUCATING elected officials of the Corridor
- MAINTAINING CONTACT with other involved states and their constituencies along the route of the Corridor
- INFORMING PUBLIC by all possible means of the activities occurring along the Corridor.



George V. Voinovich
Governor

OHIO DEPARTMENT OF TRANSPORTATION
25 South Front Street
P.O. Box 899
Columbus, Ohio 43216-0099

September 16, 1992

Mr. Ray Cadwallader
Executive Director
Great Lakes Mid-Atlantic Corridor Committee
6936 Crystal Springs Road
Cincinnati, Ohio 45227

Dear Mr. Cadwallader:

My staff and I appreciated the opportunity to meet with Ray Bostwick, Larry Brown and you Monday afternoon, September 8, 1992.

We understand your deep commitment to the Great Lakes Mid-Atlantic Corridor and the efforts you and many others have dedicated towards bringing this dream to fruition.

As discussed at our meeting, I am enclosing a listing of projects from our proposed State Transportation Implement Plan (STIP) that have transportation relationships of interest to you and your colleagues.

We share your concern for meaningful improvement to Ohio infrastructure.

Respectfully,

Jerry Wray
Director

JW:dt

Enclosure

Post-it™ brand fax transmittal memo 7671 | # of pages ▸ 5

To Ray Cadwallader	From Nancy Hall
Co.	Co.
Dept.	Phone # 614 466-5869
Fax # 513-271-6646	Fax #

MAJOR HIGHWAY IMPROVEMENTS PROGRAMMED IN THE GREAT LAKES/MID-ATLANTIC CORRIDOR

COUNTY-ROUTE-SECTION	MUNICIPALITY	LENGTH (MILES)	COST ($000)	EST CONSTR YEAR	TYPE OF WORK
Lucas County					
75-7.83	Toledo	4.10	44,000	1993	Widen to 6 lanes
Maumee River Bridge	Toledo	0.10	200,000	2000*	New river crossing
2-21.15	Oregon	6.10	29,000	1996	Widen to 5 lanes
2-27.25		6.95	24,000	1996	Widen to 5 lanes
Wood County					
75/795-27.85/2.27	Perrysburg	1.24	9,000	1992	New interchange
20-3.98		10.03	25,000	1998*	Widen to 5 lanes
280/795-1.01/8.40		1.66	8,000	1998	Upgrade interchange
Ottawa County					
2-0.00		2.01	10,000	1995	Widen to 5 lanes
2-2.01		5.05	18,000	1995	Widen to 5 lanes
2-7.06		9.49	35,000	1997	Widen to 5 lanes
Seneca County					
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

COUNTY-ROUTE-SECTION	MUNICI-PALITY	LENGTH (MILES)	COST ($000)	EST CONSTR YEAR	TYPE OF WORK
Wyandot County					
30-0.00		9.00	50,000	1997	Relocation
30-14.86		7.00	55,000	1998	Relocation
Franklin County					
670-3.93 (u)	Columbus	0.25	14,000	1993	New location
670-3.93 (v)	Columbus	0.53	2,000	1993	Ramps
670-1.25 (A-1)	Columbus	1.10	20,000	1996	New location
670-1.25 (A-2)	Columbus	0.87	5,000	1996	New location
670-1.25 (A-3)	Columbus	0.28	2,000	1995	New location
670-1.25 (A-4)	Columbus	0.53	19,000	1996	New location
670-1.25 (A-5)	Columbus	0.49	12,000	1996	New location
670-1.25 (B-1)	Columbus	0.95	16,800	1995	New location
670-1.25 (B-2)	Columbus	0.23	8,200	1993	New location
670-1.25 (B-3)	Columbus	0.34	10,300	1993	New location
670-1.25 (B-4)	Columbus	0.37	5,400	1994	New location
670-1.25 (C-2)	Columbus	0.25	8,000	1993	New location
670-1.25 (C-3)	Columbus	0.66	8,000	1994	New location
270-17.00	Columbus	10.00	260,000	1998	Widen to 6/8 lanes
270-33.33	Columbus	3.00	68,000	1994	Interchange upgrading/ widening
317-3.00	Groveport	7.00	25,000	1998	New location
Ross County					
35-26.22		9.41	62,000	2000*	New location

COUNTY-ROUTE-SECTION	MUNICIPALITY	LENGTH (MILES)	COST ($000)	EST CONSTR YEAR	TYPE OF WORK
Pike County					
32-13.56		2.70	69,000	1996	New location
32-16.05		4.60	31,000	1995	New location
Scioto County					
852-0.92	Portsmouth	5.90	100,000	1998*	New location
23-0.00	Portsmouth	0.45	30,000	1997	Bridge replacement (General Grant)
Lawrence County					
7-0.12	Chesapeake	9.26	64,000	1998	New location
Brown County					
62-0.00	Aberdeen		12,000	1995	New bridge (Maysville)
Clermont County					
28-3.81		1.16	3,000	1999	Widen to 5 lanes

*In Preliminary Development Phase - Final Development Will Follow

September 14, 1992

■ *Thursday, September 24, 1992*

Page 2 E The Columbus Dispatch

HIGHWAY CONSTRUCTION

Plan covers west-central Ohio

By James Bradshaw
Dispatch Statehouse Reporter

A state master plan to be finished by December will call for major highway construction between Columbus, Toledo and Cincinnati.

The area, dubbed "the triangle" by planners, is ripe for economic development once good transportation systems are in place, Paul C. Mifsud, chief of staff for Gov. George V. Voinovich, said yesterday.

Among expected improvements:

■ Completing a divided highway that nearly mee[illegible] [illegible] standards between Columbus and Toledo [illegible]

■ Improving rail and highway access to Toledo's port facilities on Lake Erie, which are deemed the best in the state from the waterside but lacking in land-side connections.

■ Upgrading Rt. 24 to a divided highway between Toledo and the Indiana border to improve Toledo's market links to Fort Wayne.

■ Adding another divided north-south highway along the Indiana border, probably by upgrading Rt. 127 between Cincinnati and the Michigan border.

The plan also is expected to recommend upgrading Rt. 30 in northern Ohio as a cross-state connector between the Pennsylvania and Indiana borders and speeding completion of the Appalachian Highway across southern Ohio.

Mifsud said Ohio River port facilities at Marietta, Portsmouth and Cincinnati will be developed, and Marietta likely will be designated a foreign trade zone. Federal designation as a foreign trade zone exempts import-export businesses from paying tariffs until goods either enter U.S. commerce or are exported.

He outlined the plan at a Statehouse briefing with state and federal transportation officials and consultants preparing Access Ohio, the master plan for all forms of transportation, including highways, air, rail, waterways, public transit and even bicycle and pedestrian traffic.

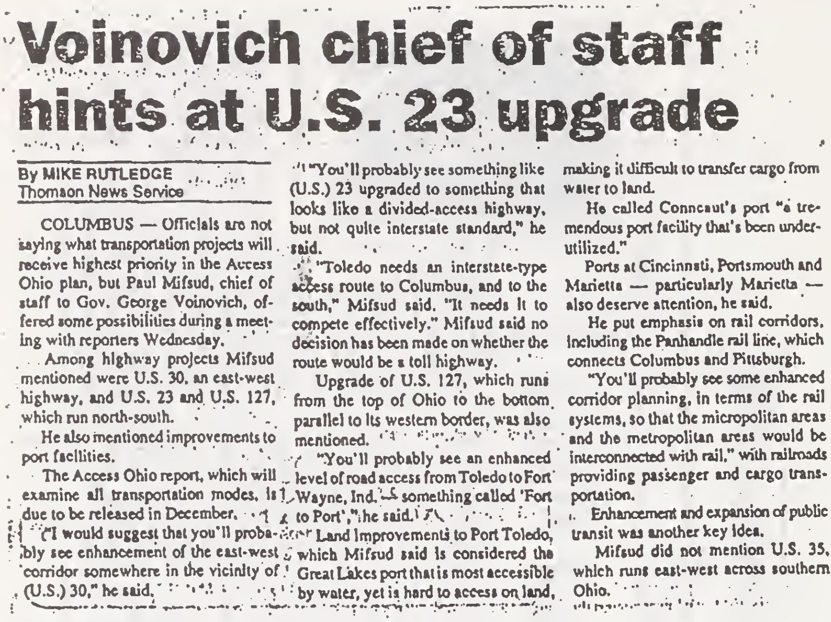
Mifsud

Fred Hempel, chief of the Midwest office of the Federal Highway Administration, presented state transportation officials with a $454,500 check to help complete the plan.

The state expects the comprehensive plan to cost about $2 million.

The plan will guide spending of an estimated $65 billion in Ohio by 2020, said John R. Platt, deputy director for intermodal transportation with the Ohio Department of Transportation. "That is a lot of money. It is important that we use those resources wisely," he said.

Ron Zook, assistant state transportation director, said highway work to be contracted in the next year will total about $850 million, including resurfacing projects.



Voinovich chief of staff hints at U.S. 23 upgrade

By MIKE RUTLEDGE
Thomson News Service

COLUMBUS — Officials are not saying what transportation projects will receive highest priority in the Access Ohio plan, but Paul Mifsud, chief of staff to Gov. George Voinovich, offered some possibilities during a meeting with reporters Wednesday.

Among highway projects Mifsud mentioned were U.S. 30, an east-west highway, and U.S. 23 and U.S. 127, which run north-south.

He also mentioned improvements to port facilities.

The Access Ohio report, which will examine all transportation modes, is due to be released in December.

"I would suggest that you'll probably see enhancement of the east-west corridor somewhere in the vicinity of (U.S.) 30," he said.

"You'll probably see something like (U.S.) 23 upgraded to something that looks like a divided-access highway, but not quite interstate standard," he said.

"Toledo needs an interstate-type access route to Columbus, and to the south," Mifsud said. "It needs it to compete effectively." Mifsud said no decision has been made on whether the route would be a toll highway.

Upgrade of U.S. 127, which runs from the top of Ohio to the bottom parallel to its western border, was also mentioned.

"You'll probably see an enhanced level of road access from Toledo to Fort Wayne, Ind. — something called 'Fort to Port'," he said.

Land improvements to Port Toledo, which Mifsud said is considered the Great Lakes port that is most accessible by water, yet is hard to access on land, making it difficult to transfer cargo from water to land.

He called Conneaut's port "a tremendous port facility that's been underutilized."

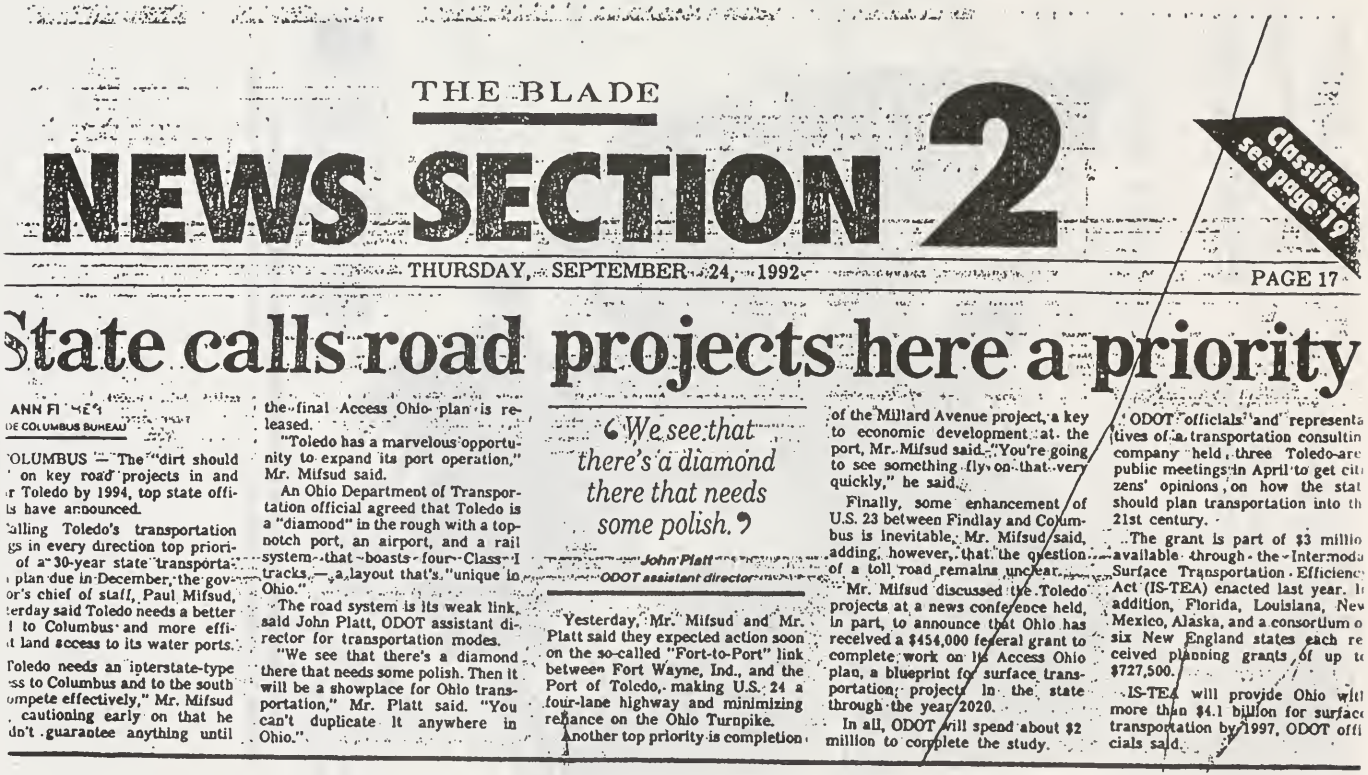
Ports at Cincinnati, Portsmouth and Marietta — particularly Marietta — also deserve attention, he said.

He put emphasis on rail corridors, including the Panhandle rail line, which connects Columbus and Pittsburgh.

"You'll probably see some enhanced corridor planning, in terms of the rail systems, so that the micropolitan areas and the metropolitan areas would be interconnected with rail," with railroads providing passenger and cargo transportation.

Enhancement and expansion of public transit was another key idea.

Mifsud did not mention U.S. 35, which runs east-west across southern Ohio.



THE BLADE

NEWS SECTION 2

Classified see page 19

THURSDAY, SEPTEMBER 24, 1992

PAGE 17

State calls road projects here a priority

ANN FI [illegible]
DE COLUMBUS BUREAU

OLUMBUS — The "dirt should
on key road projects in and
r Toledo by 1994, top state offi-
ls have announced.

alling Toledo's transportation
gs in every direction top priori-
of a 30-year state transporta-
plan due in December, the gov-
or's chief of staff, Paul Mifsud,
terday said Toledo needs a better
l to Columbus and more effi-
t land access to its water ports.

Toledo needs an interstate-type
ss to Columbus and to the south
ompete effectively," Mr. Mifsud
, cautioning early on that he
dn't guarantee anything until the final Access Ohio plan is released.

"Toledo has a marvelous opportunity to expand its port operation," Mr. Mifsud said.

An Ohio Department of Transportation official agreed that Toledo is a "diamond" in the rough with a top-notch port, an airport, and a rail system that boasts four Class I tracks — a layout that's "unique in Ohio."

The road system is its weak link, said John Platt, ODOT assistant director for transportation modes.

"We see that there's a diamond there that needs some polish. Then it will be a showplace for Ohio transportation," Mr. Platt said. "You can't duplicate it anywhere in Ohio."

> "We see that there's a diamond there that needs some polish."
>
> John Platt
> ODOT assistant director

Yesterday, Mr. Mifsud and Mr. Platt said they expected action soon on the so-called "Fort-to-Port" link between Fort Wayne, Ind., and the Port of Toledo, making U.S. 24 a four-lane highway and minimizing reliance on the Ohio Turnpike.

Another top priority is completion of the Millard Avenue project, a key to economic development at the port, Mr. Mifsud said. "You're going to see something fly on that very quickly," he said.

Finally, some enhancement of U.S. 23 between Findlay and Columbus is inevitable, Mr. Mifsud said, adding, however, that the question of a toll road remains unclear.

Mr. Mifsud discussed the Toledo projects at a news conference held, in part, to announce that Ohio has received a $454,000 federal grant to complete work on its Access Ohio plan, a blueprint for surface transportation projects in the state through the year 2020.

In all, ODOT will spend about $2 million to complete the study.

ODOT officials and representatives of a transportation consultin
company held three Toledo-are
public meetings in April to get citizens' opinions on how the stat
should plan transportation into th
21st century.

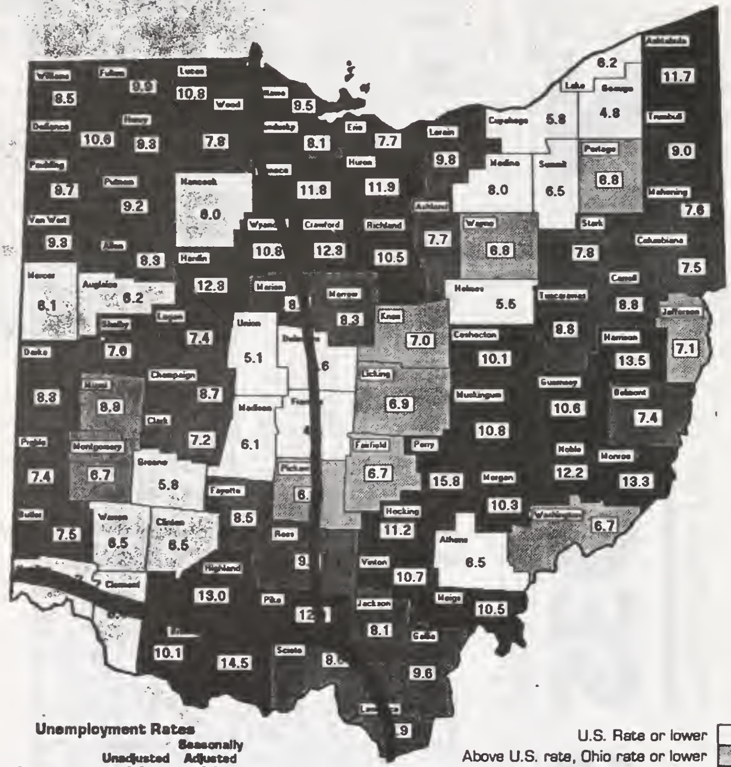
The grant is part of $3 millio
available through the Intermoda
Surface Transportation Efficienc
Act (IS-TEA) enacted last year. I
addition, Florida, Louisiana, New
Mexico, Alaska, and a consortium o
six New England states each re
ceived planning grants of up t
$727,500.

IS-TEA will provide Ohio wit
more than $4.1 billion for surfac
transportation by 1997, ODOT offi
cials said.

LMI Ohio Labor Market Information

Labor Force Estimates

April 1991



Unemployment Rates

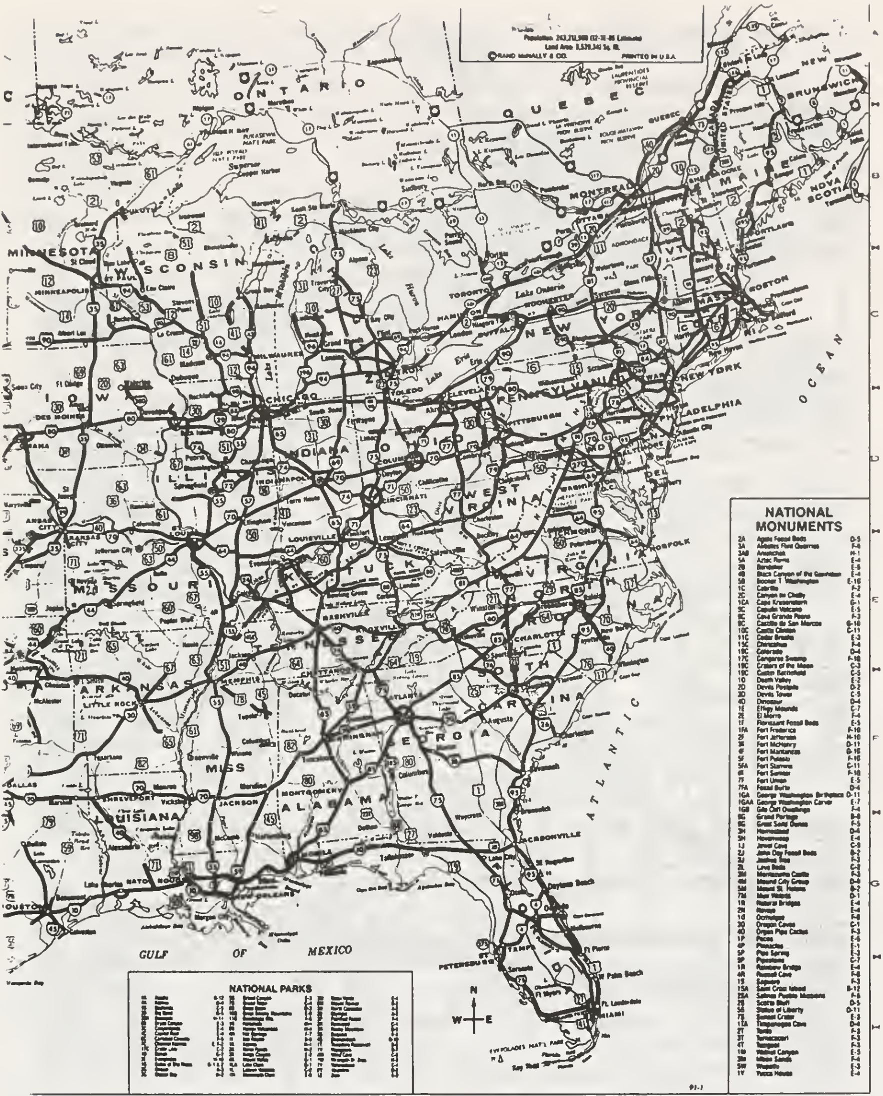
	Unadjusted	Seasonally Adjusted
United States	6.5	6.6
Ohio	7.1	7.2

County data are not seasonally adjusted.

U.S. Rate or lower	☐
Above U.S. rate, Ohio rate or lower	▨
Above Ohio rate, below 10.0 percent	▩
10.0 percent or higher	■

Ohio Bureau of Employment Services

George V. Voinovich, Governor James Conrad, Administrator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OHIO
COLUMBUS
CINCINNATI
CLEVELAND
TOLEDO
DETROIT
PENNSYLVANIA
PITTSBURGH
PHILADELPHIA
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PORTLAND
MONTREAL
OTTAWA
TORONTO
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Lake Ontario
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Lake Huron
BALTIMORE
DEL
WEST VIRGINIA
VIRGINIA
RICHMOND
NORFOLK
KENTUCKY
LOUISVILLE
MISSOURI
KANSAS CITY
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ARKANSAS
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JACKSON
ALABAMA
MONTGOMERY
BIRMINGHAM
LOUISIANA
SHREVEPORT
BATON ROUGE
NEW ORLEANS
DALLAS
HOUSTON
JACKSONVILLE
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MIAMI
Ft. Lauderdale
W Palm Beach
Daytona Beach
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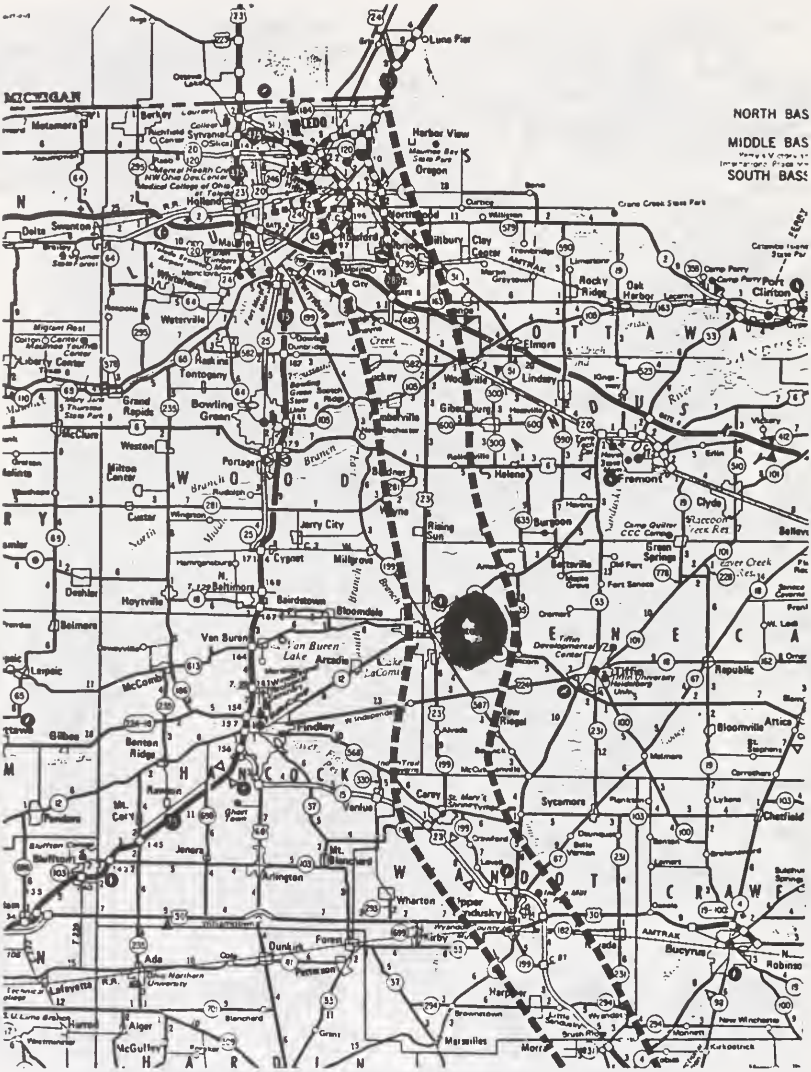
MICHIGAN
NORTH BAS
MIDDLE BAS
SOUTH BASS
Luna Pier
Harbor View
Oregon
Metamora
Berkey
Sylvania
Holland
Maumee
Delta
Swanton
Whitehouse
Waterville
Northwood
Rossford
Millbury
Clay Center
Rocky Ridge
Oak Harbor
Port Clinton
Liberty Center
Tontogany
Grand Rapids
Bowling Green
Elmore
Lindsey
Woodville
Gibsonburg
Helena
Fremont
Clyde
Burgoon
Bettsville
Green Springs
Portage
Milton Center
Weston
McClure
Custar
Jerry City
Cygnet
Rising Sun
Deshler
Hoytville
N. Baltimore
Bairdstown
Bloomdale
Van Buren
Arcadia
Tiffin
Republic
Attica
Bloomville
New Riegel
McComb
Findlay
Benton Ridge
Leipsic
Gilboa
Pandora
Mt. Cory
Rawson
Vanlue
Carey
Sycamore
Jenera
Arlington
Mt. Blanchard
Bluffton
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Upper Sandusky
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Chatfield
Ada
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O T T A W A
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AMTRAK

Mr. CARR. Let me get this straight. Are you proposing to make this a toll road?

Mr. BRENNAN. Not necessarily, Mr. Chairman. That would be a subject that would be serious considered and reviewed, although as you know, the ISTEA does suggest the possibility of those things occur. It would depend upon the ability of the State of Ohio to come up with sufficient funds to build the road on a non-toll basis with or without participation from the Ohio Turnpike Commission?

Needless to say, we would like to have it built without it being a toll road.

Mr. CARR. Your request is for $40 million. Is that right?

Mr. BRENNAN. Yes, sir.

Mr. CARR. What would that $40 million be used for?

Mr. BRENNAN. It would be for the bypass on Exhibit A, 7.43-mile bypass around the city of Fostoria. It is 7.34 miles around the city of Fostoria. It is currently for construction in 1999, and the $40 million would speed that process.

Mr. CADWALLADER. For further edification, our committee in conjunction with the Ohio Department of Transportation, itemizing a list of priority projects that are in the corridor. There were two conditions: that they be in the corridor and if no corridor ever evolved they still would serve an independent process and independent years.

So we identified a series of these priority projects. ODOT then said, Which project is the farthest along that could quality for us to be here today to request some funding.

ODOT in the corridor identified this project as being that one which is the farthest along. Why it has a 1999 date relate to the fact that until the Turnpike Commission was asked to get into this project, they treated 88 counties of the entire State.

Now with the momentum of the Turnpike Commission behind this corridor, it set a different series of potential priorities.

Mr. BRENNAN. Of course, that construction table was also based on existing funding sources.

Mr. CARR. What is the rationale for this—it parallels 75, right?

Mr. BRENNAN. It diverges from 75, sir, and travels more south easterly, whereas 75 in Ohio travels more southwesterly.

Mr. CARR. It is basically a north/south alignment.

Mr. BRENNAN. That's correct.

Mr. CARR. As a priority project—I can see upgrading some of this to limited access as being important, but I am a little baffled as to why a priority project would be to parallel by what looks to me about 30 miles and parallel a road. That wouldn't seem to me to be a very high priority, given that you could upgrade a lot of this.

Mr. BRENNAN. One of the reasons, Mr. Chairman, is because it is felt that to connect the city of Toledo, which is a major city in northwestern Ohio to our State capitol, which is in Columbus, would materially improve Toledo and northwestern Ohio's economic outlook and would certainly improve the economic outlook for those areas and those cities that would be on this new I–73/I–74 corridor.

You could also make the argument by looking at the map and see I–71 and I–77, but Ohio is a heavily populated State. I believe it is the sixth largest populated State in the country have some 11 million souls. We do not figure that we are properly serviced. Also, you will note going south of Columbus toward the southeast, there are practically no interstates running from the capitol city toward the West Virginia area.

So this has been identified as a critical corridor and a very important part of the overall transportation network of the State of Ohio.

Mr. CADWALLADER. In many cases, this will be an upgrading of an existing right-of-way. For instance, Route 23, which is identified as the center of the corridor, in many cases is a controlled access road already. But there are dotted lines all up and down this corridor. For people flowing from Detroit to Myrtle Beach or some such trip, it is a difficult task.

Also, there is a Route 280 which goes south from Toledo and then stops at the Ohio Turnpike. The thinking would be that a crossing—I think this has been pretty well been decided in the local governmental sectors as well as with ODOT and the Turnpike Commission—that a crossing would occur that would complement 280 going south. So what you have is a stub that would be extended on on existing 23 down to where it would tie in with a small community in Ohio. That is a pretty controlled access and not too much work has to be done on it.

Mr. BRENNAN. We have the land. It does make sense to upgrade it. The only thing that would be necessary to upgrade it would be the limited access.

Mr. CARR. I can see the common sense of the upgrade to 23.

Mr. BRENNAN. On your map, Mr. Chairman, you can see how 23 cuts north at Carey?

Mr. CARR. I see that 23 alignment.

Mr. BRENNAN. Then you see that State Route 15 carries from that point at 23 and I–75 at Finley.

Mr. CADWALLADER. The crossing of the Maumee River becomes intriguing and interesting because of traffic flows, say, from Ann Arbor, Detroit across to Cleveland, Pittsburgh area, which now is a fairly circuitous situation.

Mr. CARR. Which crossing at Maumee?

Mr. CADWALLADER. There is an anticipated new crossing right where the river flows into the bay. It has not been precisely located yet, but generally speaking, it would be——

Mr. CARR. There is an interstate bridge there now.

Mr. BRENNAN. There is.

Mr. CADWALLADER. Right downtown.

Mr. CARR. Why do they need a new one?

Mr. BRENNAN. That is inadequate. That is a drawbridge. It was built in 1957. It is overloaded. Toledo has passed legislation that allows Michigan's 140,000 pound gross vehicle weight trucks into State to come into Toledo, and the State of Ohio has a limit of 80,000 gross vehicle weight. In effect, it is making the bridge worse. It probably never should have been a drawbridge in the first place, but it was built as a drawbridge in the mid-1950s and we are stuck with it.

Mr. CADWALLADER. It is a drawbridge because of the oceangoing vessels that flow south to——

Mr. BRENNAN. The port extends 12 miles upriver.

Mr. CARR. Is I–75 congested in any way?

Mr. CADWALLADER. It is probably the most congested interstate highway in the United States. It has the highest traffic flow through Cincinnati. It is reaching now about 120,000 vehicles a day.

Mr. CARR. How about between Finley and Toledo?

Mr. BRENNAN. It is well travelled. I can't give you the exact count. It is not as high as it is in Cincinnati, but it does fluctuate. When you have the snow birds heading for Florida, they are coming right down I–75.

As a matter of fact, this is one of the arguments of building this spur from Carey, following 23 up past Fostoria because the point is that we do not feel that by building 73 and starting at the Finley I-75 junction, that we would worsen the bad situation already existing on 75.

So the idea is to have that spur, if you will, that runs from Carey north around Fostoria up to turnpike to relieve 75.

Mr. CADWALLADER. In the bigger scheme of things, there will have to be a wedding, of sorts, between ODOT and the Turnpike Commission because this is hundreds of billions of dollars throughout the entire corridor. It would be foolish to have what one would call a Chinese tunnel, that West Virginia would finish something from Bluefield at the southern tip up to Huntington and not flow into something that complements that.

That is what this endeavor is.

Mr. CARR. I thank you gentlemen for being here.

TUESDAY, MARCH 23, 1993.

TEXAS TGV CORPORATION

WITNESS

LARRY E. SALCI, VICE CHAIRMAN AND CHAIRMAN OF THE EXECUTIVE COMMITTEE, TEXAS TGV CORPORATION

Mr. CARR. Our next witness is Mr. Salci of the Texas TGV Corporation, who was earlier scheduled to testify. It was the Monday after the snowstorm and I was even late in getting in. We are glad to have you here today.

Mr. SALCI. Thank you, Mr. Chairman.

I apologize and I appreciate your patience in allowing me to testify today. Some things we can't control.

Mr. CARR. That's right.

Mr. SALCI. Mr. Chairman and members of the subcommittee, again I thank you for inviting me to testify before the committee on behalf of the Texas TGV Corporation.

For the record, Mr. Chairman, I would like my full statement to be entered and I will brief and summarize my remarks here this morning.

Mr. CARR. Without objection, your prepared statement will appear in the record.

Mr. SALCI. I would like to take just a moment to briefly describe the Texas TGV project and move directly to suggestions to promote the development of high speed rail in the United States.

The Texas TGV will provide non-stop 200 mph service between Houston and Dallas, between San Antonio, Austin, and Dallas, and between Dallas DFW Airport and Fort Worth. This is a service area commonly referred to as the Texas Triangle.

The rolling stock will be specially adapted for the Texas TGV and will be based on the design of the operationally proven TGV Atlantique system. This was the same design which established the world ground speed record for fixed guideway vehicles of 320 mph in May of 1990. The system planned for Texas will go beyond the Atlantique in terms of on-board services and amenities.

I want to emphasize, Mr. Chairman, that while the Texas TGV project will incorporate French technology through technology transfer from GEC–Alsthom and the significant United States presence of Bombardier Corporation, manufacture of the rolling stock will fully comply with Buy American requirements.

Moreover, the engineering and civil work construction which is by far the largest component of the project's cost will be performed by United States corporations and managed by our corporate shareholder, Morrison–Knudsen.

Based upon our studies, the Texas TGV project is expected to provide 30,000 to 35,000 construction phase jobs and nearly 10,000 direct and indirect jobs during its operation.

We would offer the following high speed rail development in corridors beyond the northeast corridor. Number one, Federal assistance for planning, feasibility, ridership, and environmental studies as well as other Federal mandates.

Today virtually every other mode of passenger transportation is eligible for Federal assistance in the planning, engineering and environmental impact analysis phase of a given project.

In the case of highways and rapid transit new starts, 80 percent of these costs are assisted by Federal grant funds. In an effort to reduce modal bias, you would suggest a similar structure of assistance for high speed rail projects.

Following efforts of ISTEA to minimize the bias among surface transportation modes, we believe that Federal funding for these essential steps, which minimize engineering and financial mistakes later, is a reasonable Federal investment and an appropriate Federal promotion role.

Second, high speed rail transportation trust fund account.

Given the President's and Congress' dual focus on infrastructure investment and reducing the deficit, we would suggest a user few concept, specifically in exchange for extending eligibility to high speed rail programs for highway trust funds. Today, we would propose a plan to repair today's investment with a 10 percent ticket tax to be imposed on high speed rail passengers, the proceeds of which will be returned to the highway trust fund.

This concept is similar to those employed by both aviation modes.

Third, permit States to use right-of-way revolving funds for high speed projects.

You may recall seeing in section 128 of S. 1204 of last year's Senate version of what became ISTEA, proposed that passenger rail facilities be eligible as projects for the use of right-of-way revolving account funds. Although this provision was dropped in conference, we would suggest its reconsideration.

Fourth, senior grade bond insurance program.

A few weeks ago, the Commission to Promote Investment in America's Infrastructure, which was established under ISTEA, issued its final report. Among its recommendations is a proposal to reestablish an insurance mechanism to enhance the rating of infrastructure projects, which might include high speed rail, to attract private capital to a project. By providing this bond guarantee, project ratings are raised to investment grade, attracting investors which otherwise might ignore such investment opportunities.

Fifth, tax-exempt bond treatment for high speed rail projects.

Under current law, bonds issued for high speed rail projects are tax-exempt. They are, however, subject to the State private activity volume cap, which renders them almost useless because these caps are so low relative to the project cost. By allowing bonds issued for high speed rail projects to be treated in an identical fashion to bonds issued for airports or other surface transportation projects outside these volume caps, significant private investment can be attracted to high speed rail projects.

Mr. Chairman, these five suggestions are offered as an array of ideas which will greatly assist in the attraction of private capital to high speed rail. Clearly, what we are proposing also involves direct Federal expenditures for high speed rail, a clear change in the Federal policy which has prevailed over the past decade.

Perhaps the most difficult capital to find is the venture capital needed to begin these projects. For this reason, we have suggested direct Federal assistant on part with historically accorded to other modes of transportation. We have also suggested direct funding for construction. And while we have not settled on any match levels, it is our assessment that overmatches of private funds—similar to the overmatch of State or local funds—for the FTA section 3 new start program should be considered.

In closing, Mr. Chairman, let me say that while the President's leadership on high speed rail has attracted national interest in this technology, we recognize that you and your subcommittee are now confronted with whether or not there should be a Federal role in developing high speed rail and how that role is to be paid for.

This is not an enviable task, but we believe that there is a very appropriate role for high speed rail in a total and balanced national transportation system. We look forward to working with you through this session.

In closing, I am aware that Southwest Airlines chairman, Herb Kelleher, placed strong emphasis on the fact that Southwest is a privately financed unsubsidized air carrier and made a number of comments regarding the Texas high speed rail project.

With all due respect for the service Southwest offers, service which I use periodically, to suggest that it is unsubsidized is simply inaccurate. Southwest enjoys a subsidy which no other airline offering domestic service has: a Federal monopoly in a niche market. The Love Field Amendment, enacted as part of the International Air Transportation Competition Act of 1979 prohibits any other airline from offering service to or from Love Field to any of the markets which Southwest served under a protected regulated regime.

I would not want to begin to quantify the financial implications of this subsidy, although it is somewhat analogous to a single carrier having solo rights to fly to or from Washington's National Airport to New York, Boston, Detroit, and Cincinnati.

There are other issues in Mr. Kelleher's statement to which we would take exception, but I wouldn't like to take the time of the subcommittee to raise them at this time.

Again, I appreciate the opportunity to testify. I will be happy to answer any questions you might have.

[The prepared statement of Mr. Salci follows:]

STATEMENT OF
LARRY E. SALCI
TEXAS TGV CORPORATION

BEFORE
THE HOUSE TRANSPORTATION
APPROPRIATIONS SUBCOMMITTEE
MARCH 23, 1993

Mr. Chairman, and members of the Subcommittee, thank you for inviting me to testify before you on behalf of the Texas TGV Corporation. The scheduling of this hearing is indeed timely, coming just two weeks after President Clinton's announcement of important policy initiatives to assist the start-up phase and construction of high speed rail projects, this hearing presents the unique opportunity to suggest a structure for the President's initiatives. I applaud your quick action in holding this hearing and appreciate your hearing our views on high speed rail.

I would like to take just a moment to briefly describe the Texas TGV Corporation and the project we are pursuing. The three major industrial shareholders are Morrison-Knudsen, Bombardier Corporation and GEC-Alsthom.

ROUTE ALIGNMENT

The Texas TGV will provide nonstop 200 MPH service between Houston and Dallas, between San Antonio, Austin and Dallas, and between Dallas DFW Airport and Fort Worth. This is a service area, commonly referred to as the "Texas Triangle," which contains 60% of the state's population and which generates over 75% of the state's gross domestic product.

Travel between these cities will be on a non-stop schedule with half hour departures through most of the day and with fifteen minute departures during peak periods. The TGV will provide service at a very high level of reliability, comfort, and ease of use. Stations or terminals are planned for:

- Houston, Central Business District
- Houston, Northwest Suburban
- Dallas/Fort Worth International Airport
- Fort Worth
- Austin
- San Antonio

In addition to these principal stations, service is being planned for the cities of Bryan--College Station and Waco, and possibly Houston Intercontinental Airport, through frequency and method of service to these communities has yet to be determined.

The route for the Texas TGV is appended to this statement.

PASSENGER ROLLING STOCK AND ON BOARD SERVICE

The rolling stock will be specially adapted for the Texas TGV and will be based on the design of the next generation of the operationally proven TGV Atlantique which currently operates at 186 M.P.H. This was the same design which established the world ground speed record for fixed guideway vehicles of 320 miles per hour in May of 1990. The system planned for Texas will go beyond the Atlantique; it will initially operate at 200 M.P.H. and the system infrastructure is designed to accommodate speeds up to 250 M.P.H. Also, in terms of on-board services and amenities, features have been specifically developed to enhance the productivity of the Texas TGV passenger, and include:

- Three classes of passenger accommodations: First Class, Business Class and Coach.
- Expanded seat spacing and legroom in all accommodations which approaches First Class seat spacing in airlines.
- Reserved seating for all passengers.
- Several small group seating arrangements with conference/work tables.
- High quality commercial phone service available throughout the train. Free phone calls may be made to either destination or departure terminal cities. All long distance carriers will be accessible for calls outside of the Triangle simply by using the "Dial 0" service which is available on most public phones today.
- Business productivity features including on board rental car services as well as facsimile transmission and receive capabilities.
- A food and beverage car at the center of train, with in-seat service to First and Business Class passengers.
- Integrated tickets with selected airlines will allow for smooth feeder operations to major hub airports, such as DFW. Check in service provided at TGV terminals by host carrier personnel will include baggage check through and seat assignments for all trip segments.

- A total "Customer Service" approach has been contemplated to provide seamless service for all passengers including those with an airport connection.
- Arrival and departure schedules at half hour intervals throughout the day with increased frequency during heavy demand periods.
- Specially designed seating and other accommodations -- including level platform access -- will enable persons with disabilities to easily board and use the high speed train services.
- Texas TGV expects a fare structure that will be competitive with or less than the airline fare structure.

A detailed analysis of the revenue impacts of these features is currently under way.

TEXAS TGV CAN EFFECTIVELY LINK WITH LONG HAUL AIR OPERATIONS

With these kinds of amenities and reliable performance, the Texas TGV should be highly competitive with all modes of travel between Texas Triangle cities. The Texas TGV should also be ideally suited in a feeder role for major hub airports such as Dallas/Fort Worth (DFW) and Houston Intercontinental (LAH). Over the next twenty years, carriers serving these airports will be looking to ever distant markets to serve out of these hubs. New, more efficient long haul aircraft will accentuate this effort.

On the operational side, airlines will continue to look for better operating efficiencies. They are finding these efficiencies in their hub operations by considering the shift to "continuous" hubbing. This will require high-frequency and high volume feeds, particularly on the short haul routes, to make them especially effective. At the same time, it is very costly to offer more than twelve to thirteen such short haul connections by air. An integrated service using the Texas TGV, on the other hand, should be able to dramatically increase service frequencies to all Texas cities by perhaps a factor of three. This service should also be able to offer this for lower total costs than these carriers now incur, and should be able to do so with much greater on-time reliability. With highly integrated facilities at the hub airport and a continued role for the long haul carriers in selling the tickets and handling passenger check in, the Texas TGV should be a highly complimentary -- and highly efficient -- alternative to continued use of aircraft to feed passengers from the Texas Triangle cities to Texas' major air hubs.

This alliance can be crucial in improving the ability of long haul carriers to efficiently serve more distant markets sooner and existing markets better.

EMPLOYMENT IMPACTS

The Texas TGV Project is expected to provide 30,000 - 35,000 construction phase jobs and nearly 10,000 direct and indirect jobs during its operations phase. High speed train technology will utilize many of the telecommunications and aerospace skills which have already come to Texas. Further, with an assembly plant in the state, Texas TGV will position Texas as a base from which high speed rail skills, services, and products can be provided to other parts of the country as they follow in their development of intercity high speed rail.

I want to emphasize, however, Mr. Chairman that while the Texas TGV Project will incorporate French technology, through technology transfer from GEC-Alsthom and the significant United States presence of Bombardier Corporation, manufacture of the rolling stock will fully comply with Buy America requirements. Moreover, the engineering and civil work construction which is by far the largest component of the project's cost will be performed by U.S. corporations and managed by our corporate shareholder, Morrison-Knudsen.

Having provided you with the scope of the Texas TGV Project as a backdrop; I would like to turn to the focus of your hearing today: Developing high speed rail in the United States. We would offer the following suggestions.

I. FEDERAL ASSISTANCE FOR PLANNING, FEASIBILITY, RIDERSHIP AND ENVIRONMENTAL STUDIES AS WELL AS OTHER FEDERAL MANDATES

Today, virtually every other mode of passenger transportation is eligible for federal assistance in the planning, engineering and environmental impact analysis phase of a given project. In the case of highways and rapid transit new starts, 80% of the planning, engineering and environmental impact statement costs are assisted by federal grant funds. In an effort to reduce modal bias, we would suggest a similar structure of assistance for high speed rail projects. Following the efforts of ISTEA to minimize the bias among surface transportation modes, we believe that federal funding for these essential steps, which minimize engineering and financial mistakes later, is a reasonable federal investment and an appropriate federal promotion role. The source of these funds could perhaps come through adding some flexibility provisions to Section 1036 of the High Speed Rail Ground Transportation Program which has already been authorized in ISTEA through 1997.

II. HIGH SPEED RAIL TRANSPORTATION TRUST FUND ACCOUNT

Given the President's and the Congress' dual focus on infrastructure investment and reducing the deficit, we would suggest a user fee concept. Specifically, in exchange for extending eligibility to high speed rail programs for Highway Trust Funds today, we would propose a plan to repay today's investment with a 10% ticket tax to be imposed on high speed rail passengers, the proceeds of which would be returned to the Highway Trust Fund. The amount to be made eligible for high speed rail funding could be based upon such factors as conservative ridership projections, a repayment schedule which reflects the useful life of the system, and the near-term financial needs of developing other high speed rail projects. This concept is similar to the user fees employed by both surface transportation and aviation modes. Admittedly, there is a draw on the trust fund in advance of repayment, but this investment would be analogous to the federal support provided to highways and the aviation industry prior to the establishment of their respective trust funds.

III. PERMIT STATES TO USE RIGHT OF WAY REVOLVING FUNDS FOR HIGH SPEED RAIL PROJECTS

Mr. Chairman, Section 128 of S. 1204, the Senate version of what became ISTEA, proposed "passenger rail facilities" as eligible projects for the use of right-of-way revolving account funds. Although this provision was dropped in conference, we would suggest its reconsideration. The revolving fund concept has saved many millions of dollars in highway construction costs, it could provide similar savings to high speed rail projects.

IV. SENIOR GRADE BOND INSURANCE PROGRAM

Mr. Chairman, the initiation of an investment grade bond insurance program for infrastructure is really the adaptation of a concept that has worked in attracting private sector investments to health care and educational facilities. Last month the Commission to Promote Investment in America's Infrastructure, which was established under ISTEA, issued its final report. Among it's recommendations is a proposal to establish an insurance mechanism to enhance the rating of infrastructure projects (which might include high speed rail) to attract private capital to a project. Using the model of the

College Construction Loan Insurance Association (ConnieLee), the Commission focused on the success that ConnieLee has achieved in guaranteeing bonds issued by colleges, universities and teaching hospitals. By providing this bond guarantee, project ratings are raised to investment grade, attracting investors which otherwise might ignore such investment opportunities. A bond insurance program, established with a minimum federal investment, could foster literally millions of dollars in private investment into high speed rail and other infrastructure projects.

V. TAX-EXEMPT BOND TREATMENT FOR HIGH SPEED RAIL PROJECTS

Under current law, bonds issued for high speed rail projects are tax-exempt. They are, however, subject to the state private activity volume cap which renders them almost useless because these caps are so low. By allowing bonds issued for high speed rail projects to be treated in an identical fashion to bonds issued for airports or other surface transportation projects, i.e., outside these volume caps, significant private investment can be attracted to high speed rail projects.

CONCLUSION

Mr. Chairman, these five suggestions are offered as a array of ideas which will greatly assist in the attraction of private capital to high speed rail. Clearly, what we are proposing also involves direct federal expenditures for high speed rail, a clear change in the federal policy which has prevailed over the past decade. High speed rail is not a technology still under test and development. It's benefits have been demonstrated widely in Europe and Japan. Promoting the development of high speed rail in the U.S. will have real and substantive benefits beyond just mobility enhancement. Environmental and social improvements, and long-term job creation are benefits which will have real impact on our nation.

We are suggesting a federal role which will serve to attract private capital. We will acknowledge that levels of private investment are determined by levels of risk. Some of the concepts we have outlined are clearly designed to reduce levels of risk which in turn have the inverse effect of attracting private capital.

Perhaps the most difficult capital to find is the venture capital needed to begin these projects. For this reason we have suggested direct federal assistance on par with that historically accorded to other modes of transportation. We have also suggested direct funding for construction. While we have not settled on any match levels, it is our assessment that "over-matches" of private funds similar to the "overmatch" of state or local funds for the FTA Section 3 New Start program should be considered. While the Federal government would clearly take on the initial burden of establishing project feasibility, as it does in other modes of transportation, we would propose that the private sector fund a large share of construction costs in terms of absolute dollars.

In closing, Mr. Chairman, let me say that while the President's leadership on high speed rail has attracted national interest in this technology, we recognize that you are now confronted with whether or not there should be a federal role in developing high speed rail and how that role is to be paid for. This is not an enviable task, but we pledge to work with you in anyway possible to help in this effort. Thank you for inviting me to testify. I will be pleased to answer any questions.

Mr. Carr. Let me invite you to take the time and critique Mr. Kelleher's testimony.

Mr. Salci. Southwest Airlines began 23 years ago. It has been a very successful business and it is a great success story in Texas. They have now become a regional carrier as well.

The Texas Turnpike Authority, which was created several years ago, studied the concept of creating high speed rail in Texas and concluded that a process should be established and a regulatory process was established and a franchise process, in which we participated, was undertaken.

Southwest Airlines became a regular member of that process and testified on behalf of the other two competitors over a 3-month time period. So they have a very, very specific interest in this project, and the issue, quite simply, is competition. It is ironic that 23 years ago, when two major carriers in Texas—namely Texas International and Branniff—were the major carriers of these markets, Southwest Airlines argued very strongly before the various regulatory bodies that they should be given a license because the services being offered needed competition.

What we are discussing today is an identical situation where we have a monopoly situation in the Texas Triangle. We are talking about offering connect services. The concept of the whole project is not an air-versus-rail situation, Mr. Chairman. It is a concept of providing short haul service equivalent to the service that is currently being provided by Southwest Airlines for connect traffic to the major airlines that serve both Houston Intercontinental and DFW airports. To allow those services to be competitive, obviously we have to have the same travel time and speed characteristics that the airlines enjoy.

We believe that project we have defined will do that.

Secondly, in our application and Mr. Kelleher's comments he noted that the State of Texas prohibits the use of any public funds. The statute that created the Texas High Speed Rail Authority very specifically prohibits the use of State appropriated funds directly to the Texas High Speed Rail Authority. It does not specifically prohibit the use of public funds for the project.

I am saying specifically that if we were to secure agreements with local municipalities, cities, metropolitan transit authorities for either share or joint use facilities or acquisition of rights-of-way—that is clearly not prohibited. Nor is the direct flow of Federal dollars if they are made available for environmental studies or other preliminary engineering activities. If other modes are eligible, we would still also be eligible.

That needs to be clarified because that has become a point of contention.

We are acutely aware of the concern of the Legislature in the State of Texas about the use of the appropriation of State funds. I don't want to minimize that.

The real issue is that the financial markets are going to determine whether this project is viable or not. We are talking about leveraging the use of very large sums of private funds with some public funds to attract a transportation system, a development that we think is badly needed.

The corridors that are served today carry somewhere in the neighborhood of 11 million to 12 million. By the year 1998 to 2000, that is going to double and it is going to double again by the year 2015. Existing transportation infrastructure simply is not going to be able to handle that kind of transportation density.

In short, that covers the major issues with which I would take exception concerning Mr. Kelleher's testimony. His other comments regarding the commercial aerospace and aviation industry—frankly, I don't think those are relevant. The status of today's air carriers and the manufacturers that supply those carriers I don't think at all is related to the development of other modes of transportation.

It is a serious problem that needs to be addressed by the Congress and by the Administration. I think you are well aware of that. But I would take exception to the statement that we are threatening the livelihood of these other major carriers.

I say that even as my parent corporation owns four aerospace companies and is very active with all those major aerospace companies, including Boeing and McDonnell Douglas.

Mr. CARR. Mr.Wolf?

Mr. WOLF. Thank you, Mr. Chairman.

I would just like to make a comment.

Were you here when the gentleman from Southwest testified?

Mr. SALCI. No, I was not, Mr. Wolf.

Mr. WOLF. I think it would be worthwhile for you to get his testimony and make a point by point rebuttal if you can because I was very impressed with his testimony.

If I were in his shoes and everything that he said is true, you could see where the concern would be.

So you may want to do this. If you ever take the time to do that, I would be interested to see your rebuttal. I thought he gave very good testimony. But again, I don't know that much about the subject, but I would like to hear your comments.

Mr. SALCI. Mr. Kelleher is obviously a proven and very successful executive. I have discussed these issues with Southwest over a period of several months in the hearings. If that would be of interest to you and the committee, I would be happy to address the concerns that he raised.

But I think there are some statements that are just simply not accurate that need to be addressed.

Mr. WOLF. I think it would be helpful if you did.

Are you talking about ultra high speed or high speed?

Mr. SALCI. I guess it would be defined today as ultra high speed, that is, speeds above 150 mph.

Mr. WOLF. Do you have any sense if that is what the Administration is talking about? Is the Administration talking about ultra high speed?

Mr. SALCI. The conversations I have had with the people in the Administration that are there today—I have not specifically spoken with Secretary Pena about this, but other members of the organization I have spoken to.

The plan that they are talking about is in development. I think they are willing to look at all levels of rail as a Federal support level. That process is basically in debate right now. We have provided our input to them as to how we think projects can be developed.

Clearly, you have the incremental approach, which is what we have been operating under for the last 30 years. Amtrak has been very successful with the limited resource it has had. They need additional improvements.

The real issue with whether it is 125 mph or 150 mph or 200 mph is a function basically of origin/destination pairs and revenue generated from those pairs as it relates to the support of the service. That is what we're talking about in Texas.

Mr. Wolf. Are you here representing Texas or just the concept of ultra high speed?

Mr. Salci. I am here representing the Texas TGV Corporation, but I am speaking today from a policy standpoint of what we think needs to be done by the United States Congress in addressing the development of high speed rail.

Mr. Wolf. Do you deal with the issue of grade crossings?

Mr. Salci. Yes, we do. We have been working with the FRA for the past 18 months. They have formally set up a mechanism within FRA to certify the operation of an exclusive grade-separated system. The only way a system at 200 mph will work is that it has to be grade-separated. That is included in the project development activities and cost projections for our system.

Mr. Wolf. Thank you very much.

Mr. DeLay. Welcome to the committee.

The first thing I want to ask, Mr. Salci, is, when this project was first conceptualized and formed and the principles came together, they came to see me and talk to me about it. At that time, I was led to believe that no Federal funds would be necessary for this project.

That was about 3 or 4 years ago. I haven't seen anybody since. I would like to know what changed between then and now.

Mr. Salci. I would be more than happy to sit down and discuss this with you, Congressman DeLay. I have been appointed president of the corporation about 3 weeks ago. Bear with me. It has been a recent appointment. The corporation that I represent only became a consortium in October of 1992.

We were deeply involved in the project, however, but we were not a shareholder and therefore had no role in management.

I don't know what was said, but I would be more than happy to give you a full briefing. I do know from our involvement in other projects that there was a concept being promoted nationally that high speed rail was an economically viable, totally profit oriented private sector activity. I have personally never believed that. I believe that there is an appropriate role for the development of systems. I believe they can be largely privately financed in the concept of Texas, clearly the incremental approach.

I believe from the history of Florida and California, which preceded the development of the Texas project, that there are lessons to be learned there. Clearly, with the economic conditions of 3 and 4 years ago, there was no political will, let's say, to look at subsidies or taxes for the development of new modes of transportation.

What has changed is that people have come to better understand the various roles that transportation rail can play. It is one of many modes. We view it as an integral part of potentially serving the hub connect services that airlines have developed. It is up to us to prove to the airlines that we can get people to DFW or Houston or Continental as fast as other modes of transport and services priced competitively as well.

I would be more than happy to call upon you and discuss this in great detail. There has been a lot of misinformation and some of it is probably attributed to the behavior of our corporation and through this difficult process.

We think the project has a lot of merit and we would like to see it at least get through the feasibility stages to determine whether it is a viable project.

Mr. DeLay. I would be very interested, too, if you took Mr. Kelleher's statement and item-by-item refute some of the arguments that he makes. The argument that aviation is subsidized could be discussed forever. I see nothing wrong with the way he lays out commercial aviation. He talks in his testimony about the 10 percent Federal ticket tax, PFCs, airport rental charges, and concession fees, airport landing fees State and local jet fuel taxes, and the myriad of other Federal, State, and local taxes we all pay combine to make us a pay-as-you-go system.

In your testimony I heard you say that you are proposing almost the same sort of system.

Mr. Salci. Congressman, there is no question that our aviation system is the finest in the world. I am not in any way attempting to criticize it. What we have suggested is that the treatment of the development of high speed rail be given basically the same accord that aviation has.

We began with a history of municipal airports and they grew to regional airports because of the increased capacity of the larger aircraft. They needed longer runways. DFW was a classic example of that. Clearly those airports that were built way back when were built with tax dollars—this trust fund didn't exist back then.

So there was an incremental approach. It was a great idea, much like the highway system. The tax exempt bond facilities that are available to finance these airports. Denver is a classic example. These are $5 billion and $6 billion projects. We are saying that we think our projects should be eligible for those kinds of mechanisms as well.

But to say that those aren't subsidies, I think is just kidding ourselves. I think we all know that those are foregone Federal revenues that wouldn't normally come.

That is really what I am saying. The operation of the carrier itself clearly is private. If we were to compare apples and oranges—if all we had to do as a rail operator was to buy train sets and operate them, given the infrastructure was provided to us, then I think you have put down a little more level playing field.

Clearly, the air traffic control system is clearly subsidized by the Federal Government. I am not criticizing. I am saying that it exists and it has been a great system. All we are saying that if there is a market large enough in Texas, Southwest will continue to grow and the market says there is room for competition.

Mr. DeLay. Using your models, what is the expected purchase price for a ticket on the TGV?

Mr. SALCI. In the franchise application that was made and the models that we used at that time, we were looking at somewhere between 70 and 80 percent of an existing air ticket. We had to use a market that included American, Delta, Southwest, and Continental.

In all candor, that is currently being updated. The regulatory body in Texas has directly retained an independent ridership consultant—Charles Rivers and Associates out of Massachusetts—and they are right now doing what is determined to be an investment rate of riders. The results of that should be available in May or June. At that time I think I can be more specific.

But to answer your question, back when the franchise process went through, it was looked at about 80 percent.

Mr. DELAY. Did that include the $10 ticket tax?

Mr. SALCI. Yes, it did, as it related to the averaging of total costs of air ticket costs.

Mr. DELAY. In those initial studies during the franchising process, did your ridership figures include the number of people who currently fly between these cities?

Mr. SALCI. It did. Clearly, that is a market that we are aiming to compete with.

It included air, bus, and auto, primarily.

Mr. DELAY. In his testimony last week, Kelleher stated that he currently flies 180 flights daily in the Texas Triangle. He also stated that the airline, that would be your main source of competition, has turned a profit every year since 1973.

If everything went as planned, when would TGV be up and running?

Mr. SALCI. Based on the schedule that was submitted to the Authority, mid-1998. The only way I want to qualify that is that if there is an environmental impact statement that is done—we have no control over the duration of that schedule. And I think we're all familiar with how EISs can drag out. But assuming that our project went forward, we would be looking at a 1998 to 1999 time period.

Mr. DELAY. For the entire triangle?

Mr. SALCI. For the first leg. The bottom leg is something that right now the ridership numbers aren't nearly as strong as the north/south commute trips are. That would have to come at a later date. But that is not included in the cost of our project.

Mr. DELAY. And what year after that do you anticipate making a profit?

Mr. SALCI. Based on the studies that we did, we would expect a profitable situation in 2 to 3 years after operation.

Mr. DELAY. In the out-years—long-term planning, after you get the triangle built, are you planning on extending that beyond the State borders?

Mr. SALCI. There are a number of interested parties who have approached us about extending the service to places like New Orleans, into Mexico. I would say that those have just been discussions.

Mr. DELAY. Thank you, Mr. Chairman.

Mr. CARR. Where do you get the figures you gave us about the ridership doubling and doubling again?

Mr. SALCI. Those were ridership numbers produced by the Texas Turnpike Authority in their studies back in 1988 when the State of Texas decided to pursue the franchise process. Those were the forecast numbers generated by the State. They used the normal sources, the Federal statistical data that is available as well as State data.

I can provide those to you.

Mr. CARR. Would you please? We find that those kinds of statements are more promotional than they are helpful.

Mr. SALCI. I understand.

Mr. CARR. Everybody comes to this committee with a grandiose ridership figure. They are almost invariably adjusted downward. But they don't get adjusted downward until we are 3 to 4 years into financing them. That has been the problem.

Mr. SALCI. I understand.

Mr. CARR. That has been our experience.

Mr. SALCI. I have been in the industry 20 years and I have witnessed much of those problems, Mr. Chairman.

If I used the word ridership, that is inaccurate. I meant was trips. In other words, the forecasted origin/destination fares are the numbers I am talking about.

Mr. CARR. Thank you very much.

Mr. SALCI. Thank you, Mr. Chairman.

[Additional information follows:]

TEXAS
TGV

April 30, 1993

The Honorable Bob Carr
Chairman
Transportation and Related Agencies Subcommittee
Committee on Appropriations
2358 Rayburn Bldg.
Washington, D.C. 20515

Dear Chairman Carr:

I want to thank you for giving me this opportunity to provide further information about high speed rail. You asked for a point-by-point response to Herb Kelleher's testimony on March 15, and I am happy to provide it.

I am certain that Mr. Kelleher and Texas TGV are going to look at the issues a little differently. Competitors often do. I would like to emphasize, however, that I intend only to make what I consider fair observations concerning the points made by Mr. Kelleher before your committee. I do not intend to criticize either Southwest Airlines or the American airline industry, for which I have the greatest respect. I do believe that high speed rail has been unfairly subject to a "pay-before-you-go" principle, which has slowed its development. Airlines and highways have been able to use a "pay-as-you-go" principle, which has accelerated their development (see #4, p. 6). I have keyed many of my points to easily available articles, so that it will be clear that the points I make are not my views alone.

1. Mr. Kelleher's views do not represent the entire airline industry, especially the views of long-haul carriers.

Mr. Kelleher is the only airline executive to have invested so much time and money in opposing high speed rail. Several airline executives have, in fact, welcomed the prospect of intermodal connections with high speed rail.

- **Ed Colodny** of USAir has recently announced that USAir will be joining the group building a high speed rail connection to the new Pittsburgh airport. He believes that high speed rail is an answer to improving airline efficiency.[1]
- **Bob Crandall** opined, not too long ago, "We're in the transportation business . . . If I can participate in running a train and make more money, it's okay with me."[2]

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[1] Aviation Daily, 7/25/89. "You may find it odd to hear an airline CEO raising the prospect of high-speed rail," Colodny continued, "but it is something that needs to be explored. Using all of the airspace capability we have in the northeast corridor . . . for duplicate shuttle services, one should question whether that's the most efficient way to run the system. . ." He believes that high speed rail needs to be developed in highly traveled intercity traffic corridors and in airport expansion and modernization.

[2] Financial World, 8/6/91.

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I would not want to go too far in representing the views at American and Delta, but I think it is likely that they see the competitive advantages of using ***high speed rail as a feeder system*** for their networks. ***This is the trend in Europe.***

- Jan Carlzon, of SAS airlines:
  - **"I am generally in favor of a high-speed train network for Europe. It will take a load off our infrastructure . . . . And if they are going to build stations under airports, this can only feed business into the airlines.**[3]
- **Lufthansa Airlines actually operates its own high speed rail line.**
  - Heinz Ruhnau, Lufthansa's Chairman, explained that Lufthansa did not intend to go into high speed rail. They were forced into it. **Airport gates in Germany were crowded with less-profitable short-haul flights.** The attendant flight delays and fuel consumption were bleeding dollars out of Lufthansa's accounts.
  - Lufthansa had to do something to cut the use of gates for short-haul flights and **maximize the use of their assets on more profitable long-haul routes, where jet aircraft operate at peak efficiency.**[4] High speed rail was the solution.

An airport jammed with the planes of short-haul carriers forces up the costs, and cuts the profit margins, of long-haul carriers, like American and Delta. Expanding airport capacity is costly to the carriers and difficult, because of community opposition. **More and more major carriers will begin to look at high speed rail as a technology that can help restore their profitability, not cut it.**

2. Mr. Kelleher is not an impartial observer; he has actively fought Texas high speed rail from the very beginning and, even now, is an active litigant with cases pending.

Mr. Kelleher tries very hard to portray his role as that of a disinterested observer, citing what he claims is impartial data and stating that the Texas Legislature, on its own, tried to limit its commitment to high speed rail (see, for instance, Kelleher, pp. 3-4). **The truth he does not disclose is best stated by the headline of an** *Aviation Daily* **article:** ***"Southwest to Continue Attempts to Derail High Speed Train."***[5]

Mr. Kelleher failed to mention that he **has waged an unrelenting, day-and-night battle against high speed rail—in the Texas Legislature, the courts, the media, and the U.S. Congress—from the first day it was proposed.**[6] **The time and money he has committed to building an adversarial environment** against high speed rail is formidable.

- **"Herb Kelleher has fought the system every step of the way. He and his lobbyists worked to prevent the Legislature from establishing the High Speed Rail Authority, which was finally approved in 1989."** [7]
  - He tried to prevent the passage of the Texas High Speed Rail Act.
  - When he lacked the votes, he **lobbied to prevent the use of any public resources** (including even facilities and resources that cities might want to provide).[8]

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[3] Air Transport World, July, 1990.

[4] Air Transport World, July, 1990.

[5] Aviation Daily, 3/21/91.

[6] For a few of the articles describing Mr. Kelleher's efforts, see Airports, 3/19/91; The Los Angeles Times, 5/28/91; Chicago Tribune, 1/12/92; and The Houston Chronicle, 10/2/92 and 10/6/92.

[7] The Washington Post, 5/26/91.

[8] The Washington Post, 5/26/91. See also The Los Angeles Times, 5/28/91; National Journal, 7/27/91; Christian Science Monitor, 5/6/91; and The Houston Chronicle, 10/6/92.

  - He lobbied to make sure that the company winning the high speed rail franchise would be required to pay for the government agency overseeing the project.[9]
- Failing to stop passage of the High Speed Rail Act, he tried, in court, to stop any public hearings on high speed rail. The judge ruled against him.[10]
- Failing in the courts, he testified, under oath, at the public hearings of the High Speed Rail Authority and presented all his best arguments against high speed rail.
  - Members of the High Speed Rail Authority—including Bob Lanier, former Commissioner of the Texas Department of Transportation and now Mayor of Houston, and former Governor and Secretary of the Treasury John Connally—weighed all of Mr. Kelleher's arguments, then voted in favor of high speed rail.

Since the decision by the Texas High Speed Rail Authority, Mr. Kelleher has labored to create a hostile environment for high speed rail. He has used nearly every argument in the book.

- To coordinate its Washington efforts, Southwest Airlines, in 1991, reportedly retained the law firm of Williams & Jensen, the consulting firm of Public Strategies, Inc., and the services of a Washington-based lobbyist.[11]
- Mr. Kelleher's representatives have actively lobbied Congress against lifting the cap on interest-free bonds, a type of bonds already available for airport projects.
- Mr. Kelleher has continued to lobby to rewrite the state law to exclude any and all public resources: federal, state, or local.
- Most recently, Southwest has refused to allow independent consultants to survey airline passengers in Southwest boarding areas, *delaying the official ridership study* for two months, even though no other airline in Texas raised objections.[12]

Mr. Kelleher has also used the tack of warning of dire consequences if high speed rail is built.

- Mr. Kelleher threatened to pull Southwest's facilities out of San Antonio, if any city resources are used to connect high speed rail to area transportation facilities.[13] San Antonio, he warned, would become "a train town instead of a plane town."
- He threatened to move Southwest Airlines out of Texas if a high speed rail line is built.[14]

I cannot agree with Mr. Kelleher's description of Texas high speed rail as "a bandwagon" which the Texas High Speed Rail Authority "simply decided to jump on" (p. 4).

- The decision process has relied on painstaking work by engineers, economists, and financial analysts, in Texas and elsewhere.

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[9] I would like to point out the direct contrast with Southwest Airlines. Southwest Airlines directly benefited from the promotional efforts of the Texas Aeronautics Commission, a state agency whose budget was provided by Texas taxpayers.

[10] Aviation Daily, 3/21/91; Chicago Tribune, 1/12/92.

[11] The National Journal, 7/27/91.

[12] Houston Chronicle, 10/2/92.

[13] Aviation Week and Space Technology, 11/25/91.

[14] Dallas Business Journal, 10/9/92. Threatening to move or close facilities is not an entirely new tack for Mr. Kelleher. In 1979, he threatened to transfer Southwest's operations out of Dallas if the Civil Aeronautics Board did not approve his plan for interstate service. Aviation Week, 9/10/79. In 1981, he again threatened to pull Southwest's headquarters out of Dallas if the Dallas City Council passed a noise ordinance restricting flights after 12 midnight. UPI, 11/4/81. In 1986, he deferred building a new headquarters complex in Dallas for two months, demanding assurances from Dallas that the city would not enact any restrictions on air traffic. Southwest Newswire, 6/24/86. In 1989, he again threatened to pull out of Dallas if landing fees were not lowered. In 1990, Southwest warned Phoenix that it would locate a maintenance facility in a different city if Phoenix did not grant Southwest a property earlier designated for the use of America West and took a handful of citizens to a public hearing to fight against any city assistance or bonding for a facility proposed by America West on the property. Southwest eventually built its facility. Arizona Republic, 8/1/90.

- The process has been thorough, fair, and benefited from the participation of some of the state's most respected leaders.

I understand Mr. Kelleher's frustration. In nearly every forum—the Texas Legislature, the courts, and sworn public hearings—his arguments and numbers have come up short of stopping high speed rail. Nonetheless, his characterization demeans the process, the Texas Legislature, and the everyday Texans who simply want the travel choice of high speed rail.

3. Contrary to Mr. Kelleher's testimony, Southwest Airlines has received direct public subsidies at Albuquerque and elsewhere.

Before your committee, Mr. Kelleher denied making use of federal, state, or local resources, (pp. 1, 8-9, 10). Mr. Kelleher's testimony is at direct odds with statements by John Denison, one of Southwest's executive vice presidents, and Governor King, Governor of New Mexico.

At the opening of Southwest's Albuquerque reservations center on March 25, 1993, *in a statement released by Southwest's own news service, Mr. Denison stated:*

- **"The assistance and cooperation received from representatives of the State of New Mexico and the City of Albuquerque," Mr. Denison said, "in large part made it economically possible for this center to become a reality."**
- **Governor King replied, "The State of New Mexico has been delighted to be able to help with job training for this new facility."[15]**
- **Mr. Denison, on behalf of Southwest Airlines, was *thanking the city and state governments for providing public resources to the tune of:***
  - **$6 million dollars in industrial revenue bonds for construction and equipment,**
  - **a 20-year property tax exemption,**
  - **a gross-receipts tax exemption on equipment purchases,**
  - **a lease of 5 acres of land owned by the University of New Mexico, and**
  - **state job-training funds.[16]**
- As the members of your committee know, job training funds are federal dollars, provided through state governments, to pay for the first several months' salary for newly hired workers. Former economic development specialists on the state level have indicated to me that **job training dollars are used by state and city governments to induce corporations to locate facilities in their areas by offering a means to reduce initial operating expenses.**

In Albuquerque, the bonds, tax exemptions, and federal dollars make the record clear. Call it what you will, **public resources are being used to finance and subsidize the construction of a reservations facility for a privately-owned airline, Southwest, and to subsidize its initial operating costs.**

Albuquerque is *not* an isolated case.

- **Herb Kelleher, *himself*, thanked the City of Detroit for its public assistance to Southwest Airlines, "Southwest is very pleased by the quality of the improvements as well as the diligence by the City to complete the project on a timely basis. This has been a *unique joint public/private venture* . ."[17]**

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[15] Southwest Newswire, 3/25/93.

[16] Albuquerque Journal, 8/29/92; Southwest Newswire, 3/25/93.

[17] Southwest Newswire, 5/4/88. Emphasis added.

- He was thanking the City of Detroit for renovating Detroit's City Airport, which made Southwest's start-up of service at Detroit possible. Southwest was the only airline using the City of Detroit airport.

From its very inception, Southwest Airlines benefited financially from federal and state regulations.

- When Southwest began as an *intra*state airline regulated only by the Texas Aeronautics Commission, Southwest could charge much lower fares than its competitors. Prior to 1979, federal regulation of *inter*state carriers in Texas prevented these carriers from cutting fares in response.[18]
- The Texas Aeronautics Commission, an agency funded by state revenues, vigorously promoted the expansion of Southwest Airlines, as part of Texas aviation.
- Prior to deregulation in 1979, Southwest Airlines planned to expand its operations by leapfrogging to another state as an *intra*state carrier, so as to remain free of federal regulation and keep the edge it gained from state regulation.
- Although the Wright Amendment in 1979 was intended to force all airlines out of Dallas Love Field, it ended up giving Southwest Airlines a monopoly on service out of Love, the airport most convenient to downtown Dallas.

And Southwest Airlines is not alone in its solicitation and receipt of public resources.

- Air industry associations, such as Partnership for Improved Air Travel (which is chaired by Herb Kelleher) and the Air Transport Association, have lobbied the federal government for more resources to build airports, for a cut in the federal excise tax on airline tickets, and for a special investment credit tax break for airlines to offset the proposed BTU tax.[19]
- Northwest Airlines was offered a package of financial assistance worth $740 million by the State of Minnesota to locate repair and maintenance facilities there.[20]
- In Phoenix, America West sought a $48 million financing package from the county, city, and state governments for building a maintenance facility.[21]
- At countless airports across the nation, such as Sky Harbor airport in Phoenix where Southwest flies, the city builds and owns the airport facilities and rents or leases gate space. Such "pay-as-you-go" arrangements allow airlines to pay for the infrastructure they use incrementally and after they have already started operations.

The federal government assists the development of the airline industry, generally, in many ways, including:

- The FAA provides grants for preliminary studies and analyses. Recent examples include Massachusetts and Texas. In Texas, Governor Richards has asked for a FAA grant to study the possibility of a 24,472 acre "Wayport," near Dallas, with the support of both Texas senators.[22]

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[18] Aviation Week, 9/10/79.

[19] Aviation Daily, 1/21/93; Los Angeles Times, 4/13/88; UPI, 4/27/88.

[20] UPI, 11/19/91.

[21] The Arizona Republic, 8-7-90. It is interesting that, *in this case*, an attorney for Southwest showed up at a public hearing to oppose giving any financial packages to America West, with whom Southwest was locked in a fierce rivalry for air traffic. Southwest also wanted America West's selected site for its own maintenance facility.

[22] Aviation Week and Space Technology, 4/20/92; Aviation Daily, 3/10/92. By this standard, *Texas TGV is already less subsidized than Texas airlines. TGV has not only paid for all its feasibility and design studies but also provided resources to pay for government operations, to the tune of $20 million in private dollars.*

- The FAA and local governments provide matching grants for the construction of new airports, a vital part of airline infrastructure, and traffic regulation.

4. Rail Companies are the only transportation systems required to "Pay-Before-They-Go."

Mr. Kelleher described the airlines as a "pay-as-you-go" system (p. 11). This is ***essentially*** correct as a description of the federal trust fund concept: a trust fund contributes to new aviation infrastructure projects and is replenished by payments from airlines and airline travelers for their use of the infrastructure.[23]

- The aviation trust fund is, in principle, the same type of system as was set up to promote the development of highways.
- In both cases, however, the trust funds were initially capitalized by taxpayer dollars, in the amount of $3.09 billion (1990 dollars) for the development of airports and $15.596 billion dollars (1990 dollars) in initial appropriations for highways.[24]
- Both highways and airports have been eligible for funding through tax-free bonds.
- **Even under "pay-as-you-go," airlines, like Southwest Airlines, have been free to solicit and use public subsidies and resources from state and local governments.**

Modern rail companies, however, have been subject to a *different standard*. Modern rail carriers are the only major transportation carriers which have been required to "pay-before-they-go." The "pay-before-you-go" requirement, and the resulting double standard, has *held private industry back* from building a competitive high speed rail industry in the U.S.

- The Transportation Research Board stated, in 1991, "Air and automobile modes use infrastructures developed, managed, or provided by the government. No parallel system of support exists for high speed ground transport."[25]
- **As Senator Frank Lautenberg has said, "Rail ought not be subjected to a more rigorous test of self-sufficiency than highways or aviation."**[26]

UNDER "PAY-AS-YOU-GO":

Vehicular transport companies and airlines *do not have to pay, up-front*, for all the infrastructure they use. They are *permitted to defer payments* for infrastructure.

- Prior to starting operations, vehicular companies and airlines are required to pay only for the vehicles they use and any insurance, licenses, and permits required for their operations.
  - They do not have to build the highways or airports they use, or to provide for traffic regulation.
  - Infrastructure and traffic regulation are already provided by state and federal funds and tax-free bonds.
  - Because vehicular companies and airlines do not have to include any of these costs in their balance sheets, the cost of their initial capitalization and debt is lower and they appear more readily profitable.

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[23] Ticket taxes are user fees paid by airline travelers, not airlines. The "pay-as-you-go" system does not preclude the use of subsidies in various forms.

[24] Public Law 350, passed in 1954, and The Federal-Aid Highway Act of 1956, authorized initial appropriations of $15.596 billion (in 1990 dollars), over a four year period, to promote the development of highway transportation. The 1956 law established a 90% federal funding of interstate highways. Since its beginning in the 1956 law, some sources report that the interstate highway system will have cost a total of $122 billion, when finished. The Federal Highway Administration reportedly spent $71.2 billion on highways in 1989, 62% of which came from user fees and 38% from income taxes, sales taxes, property taxes, bond issues, etc. For instance, see J. Vranich, *Super Trains*, pp. 338-353. The Federal Airport Act, Public Law 377 of May 13, 1946, authorized initial appropriations of $3.09 billion (1990 dollars) over a seven year period for the development of airports in individual states.

[25] See, for instance, the article in Travel Weekly, 11/25/91.

[26] Aerospace Daily, 3/2/93.

- Vehicular companies and airlines are permitted to begin revenue-producing operations and pay for the portion of the infrastructure they use in long-term installments, without any interest charge.
- Airlines are also permitted to collect "user fees" from consumers which are then passed to the government as partial payments for infrastructure costs.

UNDER "PAY-BEFORE-YOU-GO":

Rail companies are required to *pay, up-front*, for *all* the land and capital infrastructure their operations will use, *all* their signals and communications, and *all* their traffic regulation, in addition to the cost of their transport vehicles and any licenses, permits, and insurance.

- Rail companies have to include *all* the capital expenses for the infrastructure they use in their balance sheets.
  - This procedure makes high speed rail projects appear much more costly, relative to other transportation modes.
  - It inflates the requirements for initial capitalization and incorporates very large debt into their balance sheets, way before they begin revenue-producing operations.
  - The inclusion of all capital costs increases the risk, making it more difficult to attract private investors.[27]
  - Because rail companies have to include all capital costs in their accounting, the period before they show profitability is prolonged.
- Rail companies do not have access to interest-free installment payments for their infrastructure.
  - They have to pay interest on any funds borrowed to build their initial infrastructure.
- High speed rail has also suffered a disadvantage in the use of bonds because bonds for rail projects have been subject to a cap on tax-free bonding, unlike bonds for airport projects.

5. Texas TGV believes in a full disclosure of facts.

I have to confess that I did learn *one* new thing from Mr. Kelleher's testimony. Before he testified, I had not ever heard that lying by telling half-truths is a famous debater's trick (Kelleher, p. 11). During college, I held forth in more than a few debates, but we always emphasized getting at the facts. I still believe, as I always have, that arguments based on a disclosure of facts will ultimately win out. I guess Herb studied at a different school! He provided more than one instance of leaving pertinent facts out of his testimony.

For instance, to make his claim that Texas TGV will need a subsidy, he quotes a CBO report *written in July, 1985* (written *four years* before the Texas Legislature even considered high speed rail and *six years before* the Texas TGV application was even submitted) to the effect that intercity rail had received a net federal subsidy of 23 cents a mile while commercial aviation got a negative 0.2 cents a mile because "user fee payments to the federal government exceeded federal spending."[28]

In this case, Mr. Kelleher failed to provide you with two relevant facts.

- First, the statistics on intercity rail were derived from *conventional* rail systems, not high speed rail.

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[27] In his testimony before your committee, Mr. Mead of the GAO recognized the hesitancy of private investors to invest in large-scale rail projects (p. 9-10) but ignores the substantial role played by the "pay-before-you-go" principle in increasing the capital size of rail projects and their risk.

[28] Testimony of Herbert D. Kelleher, House Appropriations Committee, Subcommittee on Transportation and Related Agencies, U.S. Congress, March 15, 1993, p. 11.

  - High speed rail has not yet been built in the U.S., so it is impossible for the data to be from high speed rail operations.
  - By using the term "intercity rail" to refer to data from conventional rail operations, Mr. Kelleher, **hoped to tar high speed rail with the brush of conventional rail.**
  - The two systems, however, are very different in their competitiveness. Conventional rail, traveling at 50-85 mph, is not competitive with airlines; high speed rail is.
  - Judging from comparative statistics on conventional rail and high speed rail in countries where both operate, such as France, **conventional rail tends to lose money; high speed rail makes money.** High speed rail *supports* conventional rail.[29]

- On the issue of airline user fees, Mr. Kelleher also failed to point out that **national user-fee data do not necessarily apply to carriers flying a lot of short-haul routes, like Southwest Airlines.**
  - Most major airlines are long-haul carriers. Long-haul data heavily weights national averages.
  - **Highly frequent short-haul carriers like Southwest make much greater demands on airport facilities and traffic regulation than long-haul carriers. For instance, Southwest is the *sole commercial user of Dallas Love Field and the dominant user of many other close-in urban airports in Houston, Little Rock, Chicago, and Detroit.***
  - The FAA study cited by Mr. Kelleher states that long-haul carriers might be paying 111% of their costs, but commuter airlines and high frequency carriers pay closer to 12%. In all fairness, Southwest is probably between the two extremes and below 100%.

6. High speed rail is the *jetliner* of today's rail.

In his testimony, **Mr. Kelleher implies that there is no difference between high speed rail systems, like the TGV, and earlier rail technology.[30] Mr. Kelleher wants people to believe that successive generations of a technology do not radically alter the efficiency of the base technology. To see the fallacy of this idea, apply it to Southwest Airlines.**

- Assume that Mr. Kelleher and his partners choose to fly prop-driven DC-3's, because, in their view, there is no difference in competitiveness between successive generations of a base technology.
- There is no way that Southwest could keep a competitive schedule.
- With Mr. Kelleher's perspective, we would then be forced to conclude that jet aircraft technology would just as surely have failed, if he had adopted it.

Conventional-Speed Trains Are The Prop-Driven DC-3s Of Today's Rail

Conventional passenger trains came to full development in the 19th century and were dominant until the 1960s.

- Conventional-speed trains rarely exceed 75-85 mph.

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[29] For chart comparing the competitiveness of conventional rail with high speed rail, see "In Pursuit of Speed," p. .... For a comparison of the competitiveness in Texas, see the Texas Triangle High Speed Rail Study, Texas Turnpike Authority. This issue will be discussed in more depth shortly.

[30] For instance, he uses data on conventional rail systems, as if it is clearly applicable to high speed rail. He states, ". . . the Congressional Budget Office said in its 1985 report that while *intercity rail* received a net federal subsidy. . . ." Kelleher, p. 11. In other contexts, Mr. Kelleher has stated that high speed rail, like Texas TGV, is no more competitive than 19th century steam trains.

- **On trips of any length, transport times by jet airlines, even with moderate airport congestion, are simply too fast for conventional speed rail to compete profitably.**

Mid-Speed Trains Are The Turbo-Props

"Mid-speed rail," like the ABB X-2000 or Bombardier LRC, is an updated, faster version of conventional-speed rail.

- Mid-speed rail runs at speeds from 100 mph to 150 mph and uses existing rights-of-way.
- Mid-speed rail shares rights-of-way with other trains.
- Mid-speed rail lacks the sophisticated communications of high speed rail.

At 100 to 125 mph, the tight curves of existing right-of-way become a problem for mid-speed trains. To handle these curves, the faster versions of mid-speed rail, such as the X-2000, have **added tilt-train technology.**[31]

- Many tilt mechanisms require frequent and costly maintenance. Moreover, there are limits to how much you can tilt the cars before passengers find the ride unsettling.[32]
- Consequently, the more curves in existing right-of-way and the more severe the curves, the more that tilt-trains must compensate with slower speeds in passenger service.
- So long as they operate on existing rights-of-way, **mid-speed trains are limited by the right-of-way to fairly low maximum speeds, compared to high speed rail.**

High Speed Rail Systems Are Today's Jetliners

High speed trains are the *jetliners of rail technology*. Like jet aircraft, they are *practical* and *proven*, yet ***revolutionary*** **in their transportation potential..**[33] ***It would be as foolish to equate the transportation potential of high speed rail with earlier rail technology as it would be to equate the transportation potential of a Boeing 737 with that of a prop-driven DC-3.***

- High speed rail more than doubles conventional rail speeds with an energy usage more efficient than both aircraft, autos, or mid-speed rail.
- A single high speed rail corridor can carry the passenger traffic of ten-lanes of interstate.
- New users of TGV technology are buying in at a highly evolved level of technology.
  - The *substantial R&D costs have already been paid,*
  - construction and operating *expenses are well-known,*
  - and the extraordinary *reliability and safety* of the systems have been well established.[34]

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[31] A internal tilt mechanism leans the railcars in tight curves.

[32] This observation on tilt mechanisms comes from Bombardier's experience in developing tilt mechanisms for Canada's VIA rail system. In regard to passenger comfort, see the reference to this problem in "High Speed Rail on Track," Financial World, January 8, 1985.

[33] See US Passenger Rail Technologies, a report by the Office of Technology Assessment, 1984; and Travel Weekly, January 23, 1984.

[34] TGV technology, for instance, is now in its third generation of innovation and has been in successful commercial operation as a fully competitive technology for over a decade. The first TGV was the TGV-S, then there was the Atlantique, and now the Reseau is under development.

p. 10

High speed rail is a ***new generation of rail technology with the potential to transform transportation***, much as jetliners did in the 1960s.

(1.) The Highest Speed

High speed rail reaches the highest commercial speeds. A TGV Atlantic currently holds the speed record of 320 mph, with the technical potential of reaching even higher speeds.[35]

- The record-breaking run by TGV was not a laboratory experiment of doubtful outcome or even a bumpy ride. High level government officials were comfortably riding in the TGV when the record was set.

(2.) The Safety of a Dedicated Right-of-Way

High speed rail uses dedicated right-of-way, a *necessity for high speed operations of any rail technology, whether it is a tilt-train or true high speed rail.*

- Dedicated right-of-way produces the extraordinary safety and reliability of high speed rail. Safety and reliability are both essential ingredients of building ridership.[36]
- Dedicated right-of-way permits the frequency of service necessary for competitive rail.[37]
- Just as important, dedicated right-of-way significantly enhances the safety of people in the surrounding communities.
  - Dedicated right-of-way removes all grade crossings, one of the major hazards of conventional rail, and replaces them with safe underpasses and overpasses.
  - Dedicated right-of-way minimizes the chances of accidental injuries from unauthorized access to a right-of-way by persons and animals.
- Mr. Kelleher tries to claim that a dedicated right-of-way is a drawback by implying that there are no crossings at all.[38] This is false. As is clear from available evidence, photographs, and high speed rail systems in use, numerous and frequent underpasses and overpasses allow easy passage of traffic, farmers, and wildlife.

(3.) A More Cost-Effective Investment Through Greater Extendibility of Infrastructure

High speed rail is built on straightened right-of-way. Straight right-of-way permits not only the safe and comfortable use of competitive speeds but also creates a greater extendibility of rail infrastructure.

- **Incrementalism is most cost-effective when you start with the right base-technology for a corridor.**
- High speed rail has greater extendibility. High speed rail can more easily evolve into future generations of rail technology because the basic investment in the right-of-way and signaling for high speed rail operations will have already been made.
- In Texas and many other corridors, mid-speed rail on existing right-of-way cannot be extended into new generations of rail technology (and even for trains running faster than 150 mph), without a ***second round of expensive capital spending for new right-of-way.***

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[35] Machine Design, August 22, 1991.

[36] Japanese and French high speed rail systems have a safety record of running without a single fatality. In 1986, the Japanese Shinkansen from Tokyo to Hakata completed more than 2 billion passenger trips without any fatalities.

[37] Edwin Harper, President of The Association of American Railroads, stated on February 3 that sharing rights-of-way with freight trains is not always conducive to high speed rail operations, because it is difficult to schedule 30 to 60 mph freight operations to avoid conflicts with highly frequent, 150 mph high speed trains. See US Rail News, February 17, 1993.

[38] Kelleher tries to turn this into a negative aspect. p. 10.

   - **The purchase price for new right-of-way and infrastructure will be much higher in the future.**

(4.) The 21st Century Technology of Fiber Optics Communications

Advanced fiber optics and microelectronics are at the heart of high speed rail. High speed rail is both a transportation and communications system.

- Operation of high speed rail requires the installation of fiber optics networks.
   - Costwise, one can just as easily put 100 cables in a trench as one.
- **The 21st century technology of an intercity fiber optics network can be installed at the same time as high speed rail. Two technologies can be had for the price of one.**
- **Some portion of the additional fiber optic channel capacity could be dedicated for use by federal and state agencies and by public service institutions, such as** research centers, educational institutions, libraries, youth centers, and hospitals.

7. A 200 mph train *CAN* compete with a 500 mph jet.

Mr. Kelleher claims that high speed rail cannot compete with jet airliners in attracting passengers. His claim rests on two assumptions.

- **Travelers care most about faster *vehicle* speed.**
   - High speed rail traveling at 200 mph, Mr. Kelleher asserts, is not as fast as jet aircraft flying at 500 mph (see Kelleher, p. 9).
- **Travelers will choose intercity airlines over high speed rail, Mr. Kelleher claims, lowering the ridership available for high speed rail. (pp. 5-6).**

Mr. Kelleher makes a very common mistake. He equates vehicle speed with total transport time. From the traveler's point of view, total time of transport is more important than vehicle speed.

A simple example will illustrate the point.

- The fastest vehicle today is the Space Shuttle, which cruises at 17,500 mph.
- Few business travelers, however, would want to take a space shuttle from Miami to Los Angeles.
- The total transport time would be weeks, if not longer.[39]
- **Travelers will readily choose the transportation technology which shortens their total time of transport, gives them a longer stretch of usable time, and reduces lengthy periods of walking, waiting, and commuting to terminals.**

Experienced air travelers know that, on congested short-haul routes, as little as 25-30% of their total transport time will be spent flying in an airplane.

- The majority of intercity air passengers' time is spent in taxicabs, walking to their gates, waiting in boarding areas, enduring flight delays, taxiing on runways, and enplaning or deplaning.
   - When flights are delayed and canceled, the percent of total transport time spent in flight drops well below 25%.

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[39] Speed of the space shuttle provided by the courtesy of the Johnson Space Center. In fairness to the Shuttle, it is not designed or operated for private, commercial transportation. I use this example only to illustrate that vehicle speed is not the most important concern for a traveler.

When one compares total transport times in Texas (including boarding times, delays, taxiing and take-off, vehicle travel time, and transit from terminals to Central Business Districts), a TGV running at 186 to 200 mph, in normal operations, is competitive with and often faster than short-haul airline operations.

- Initial research indicates that total transport time on **airlines from Dallas to Houston ranges from 175 to 200 minutes or higher**, depending on delays and traffic congestion. **On TGV, the total transport time for the same route will be approximately 134 minutes.** (See Chart 1, attached.)

Will people choose to ride high speed rail? Southwest and Texas TGV will compete for the same travel market. The issue of ridership boils down to whether high speed rail will have a competitive edge. We believe that a point-by-point comparison shows a competitive edge for high speed rail.

- Southwest Airlines is unique. Southwest flies planes back and forth between pairs of cities, relying on a "ten-minute turnaround" to maximize the number of trips a plane makes.
- *Instead of building a network to provide feeder traffic, like all other major carriers, Southwest focuses on providing frequent, point-to-point service among pairs of cities, especially in well-traveled corridors.*[40]

If one examines Southwest's corporate history, from the perspectives of its own executives, the following elements seem critical in building ridership:

- terminal convenience to downtown areas (such as Dallas Love Field and Houston Hobby),
- frequency,
- reliability,
- low fares,
- an equal or better total transport time than alternative transportation, and
- low operating costs to keep fares low.[41]
- Southwest relies on low fares, convenience, and reliability, rather than comfort or amenities, to induce people to fly.

Texas high speed rail will equal or better Southwest, and other airlines, on each of these factors, and will add comfort and amenities to boot.

- TGV terminals will be *more convenient to downtown* areas than air terminals and will likely be linked with the major hub airports as well as rapid mass transit and light rail, as these systems are built in the corridor cities. The greater convenience of TGV terminals, measured in blocks not miles, will *cut total transport time.*
- TGV service will run *every fifteen minutes* among its major terminals during peak periods; every thirty minutes, the rest of the day, matching current airline frequency.
- TGV will be *more reliable* than intercity airline flights.
    - *Texas TGV will run in fog and storms that delay and cancel air flights. That, by itself, is greater reliability.*
    - TGV technology has an on-time record of 97%, counted within seconds. (The average late time has been 90 seconds).[42]

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[40] Los Angeles Times, 2/12/90. "We're after a different market than the majors. We're short-haul, low-fare, and high frequency. Most are serving the long-haul market." Herb Kelleher, Phoenix Business Journal, 1986. "I think we have been successful because we have created a market niche that is not directed against the other major carriers." Financial World, 5/4/91.

[41] Aviation Week and Space Technology, 2/9/76; Aviation Week and space Technology, 10/16/78; Forbes, 5/1/78; Forbes, 11/2/79; Air Transport World, Jan., 1993; Financial World, 5/14/91; Arizona Business Gazette, 2/24/89; Arizona Republic, 2/3/93; UPI, 7/26/89; Houston Chronicle, 5/23/92; Houston Chronicle, 10/25/92.

  - The major airlines averaged only an 82.3% on-time performance. Southwest has come a little closer, moving from an on-time record of 86.9% in 1989 to a record of 92.1% in 1992.[43] Flight delays, when they occur, add ten to twenty minutes to total transport time.
- Although it is difficult to predict TGV's exact fares at this time, TGV will start with *lower fares* than comparable air fares and remain so.
- The total transport time for a trip on TGV will *equal or better* that on airlines: 134 minutes on TGV compared to 175-200 minutes on airlines.
- Texas TGV passengers will use the *same* local transportation infrastructure that airline passengers use to get to and from airports.
- While the operating costs of TGV are negligible (and, in fact, in France, operating costs per mile have declined 37% over ten years of operations), airline operating costs are likely to go up substantially over the next ten years, putting pressure on airlines to raise fares.
  - Airline operations are very sensitive to the price of fuel.

    Fuel and oil represented 18% of Southwest's operating expenses in 1992. During the last quarter of 1990, the price per gallon of fuel for Southwest jumped 37% in one quarter because of the Persian Gulf war.[44]

    Airline industry sources expect the price of aviation fuel to continue to rise over the next decade and longer, in response to tighter supply and increased costs for fuel suppliers.[45]
  - Because the proposed BTU tax is intended to discourage the burning of hydrocarbon fuel, it will raise airline costs faster than TGV's costs.
  - Airport congestion, when it occurs, will lead to delays.

    Delays will reduce Southwest's ability to keep its planes in the air, thereby raising operating costs. If, because of congestion, every other flight had to idle for ten minutes on a runway before it took off for a 50-minute flight, an intercity airline could face as much as a 10% increase in fuel costs. Southwest pulled out of Denver precisely because the delays at Stapleton added too much to its operating costs.[46]
  - Improving engines to reduce airline pollution will likely add $200,000 cost per engine, for a total added cost of $800,000 per plane.[47]

In addition, Texas TGV will have the following competitive advantages, of special appeal to business travelers and unmatched by plane or car:

- Most of the total transport time on TGV will be spent in a *single ride*, instead of having trips broken up into numerous and largely unusable segments of 20 to 30 minutes each, as happens on short-haul airline trips.
  - On Texas TGV, passengers will spend 83% of their total transport time relaxing or working in a comfortable environment, instead of standing, waiting, and walking.[48]

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[42] During the past decade, a delay of ten minutes or longer has happened *only once per year per trainset* (once every 248,500 miles). "Decade of TGV operation," Revue Generale des Chemins de Fer, p. 25.

[43] Southwest Newswire, 11/8/89 and 2/4/93. Airline on-time performance is actually *lower* than FAA statistics indicate, because the FAA removes any flights from their data which are canceled because of mechanical problems.

[44] UPI, 1/31/90. In 1992, Mr. Kelleher said about fuel prices, "All we do is pray each day . . . toward Mecca, of course." Aviation Daily, 3/2/92.

[45] UPI, 4/27/88, 1/31/90 and 9/31/91; Aviation Daily, 3/2/92; BNA Daily Report for Executives, 10/20/92; Aviation Week and Space Technology, 2/8/93; New York Times, 2/21/93. Fuel costs accounted for about 16-18% of Southwest's operating expenses in 1992.

[46] Tulsa World, 2/4/90; Houston Chronicle, 10/25/92.

[47] Flight International, 8/12/92

- TGV passengers will be able to use cellular phones, laptop computers, and an on-board fax, and order food and beverages (reserved in advance or ordered on board).[49]

8. Airline networks and long-haul routes are more flexible, but this is largely irrelevant for high speed rail in heavily traveled intercity corridors.

Mr. Kelleher has argued that airlines are more efficient because they provide flexible infrastructure (p. 10). This argument has merit from the perspective of an *inter*state airline building a regional or national network.

- When building a network or serving intercity corridors of medium to low traffic, interstate airlines need to have flexibility in flight-routes to compensate for the variability in traffic volume and net profit that occurs on an interstate network.

The case is different, however, when the perspective is shifted to a heavily traveled intercity corridor.[50]

- In building transportation for heavily traveled intercity corridors, flexibility is less important than providing enough travel capacity to meet demand.
- In Texas, the volume of travelers in the state's heavily traveled, intercity corridors has consistently grown.
  - To believe that Texas TGV's tracks would be empty infrastructure, one would have to believe that Dallas-Fort Worth, Houston, San Antonio, and Austin would shrink to fractions of their current sizes.
- There is not a single study which projects a decline of these cities. Every study, as well as the Governor of Texas, predicts growth.

9. The Texas Triangle is a prime location for high speed rail.

Mr. Kelleher testified that Texas TGV's cost estimates are understated, its ridership estimates overstated, and that, if built in Texas, TGV will operate at a financial loss (pp. 3, 5, 6). To support his claims on costs, he cites a report by the Sverdrup Corporation.

The Sverdrup report, however, is flawed by the fact that it did not examine the specific features of the Texas corridors in any detail.

- As they admitted in cross-examination during the Texas High Speed Rail hearings, the authors of the Sverdrup report relied upon hasty extrapolations from newspaper accounts and construction experience on the Northeast Corridor for their conclusions.
- They did not carry out independent engineering analysis, calculations, demographic studies, or ridership surveys.[51]

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[48] On short-haul airline trips, passengers spend, at most, only 25-30% of their total transport time in a space that could only remotely be called relaxing or productive. Most of the minutes they spend in travel are unproductive.

[49] Cellular phones and other devices that give off radio signals have been banned on all domestic U.S. flights. Short-haul flights typically do not offer food and beverage or the time to enjoy them.

[50] Mr. Kelleher also overlooks the fact that airports are not in the least flexible. An airport and its costs of development continue to exist for a local community whether an airline chooses to fly out of it or not.

[51] Initially, the High Speed Rail Authority had considered relying upon consultants' reports. About two weeks later, however, members of the Authority decided that sworn testimony, with cross-examination, followed by an independent report by a Hearing Examiner, would produce a better evaluation of high speed rail. The reports which had been started by the Sverdrup Corporation; Rauscher, Pierce Refsnes; and the Hadley Group might be entered into the record by participants but would not play a pivotal role. In fairness to the consultants, they had access to the franchise applications and data for only about two weeks and recognized that their reports were not critical to the proceedings. Presumably, they did not dedicate the time or staff to the reports as they might have otherwise.

The Texas Triangle is an excellent candidate for high speed rail because the area has lower construction costs than elsewhere, a large and growing ridership, and a higher than average propensity to travel. Mr. Kelleher also neglects to mention the conclusions reached in the Texas Turnpike Authority study. The Texas Turnpike Study found that a high speed rail system, like the TGV, would be the most cost-effective rail system for Texas and the system most likely to build significant levels of ridership.[52]

- These conclusions have been derived from extensive engineering and demographic studies, carried out by a sizable number of firms and agencies.
- During the hearings, the authors of these studies were open to cross-examination by interested parties, including representatives of Southwest Airlines.
- The studies were made part of the record during the hearings of the Texas High Speed Rail Authority and were available for use by Mr. Kelleher in his testimony.

Lower Construction Costs

Construction costs in the Texas corridors are generally lower than in many other U.S. corridors, especially the Northeast Corridor ("NEC").[53]

- Texas generally has more favorable terrain than elsewhere. There are neither mountains (not even severe hills), nor marshes, nor severe rivers.
- The Texas routes do not have any severe environmental problems.
- Labor costs in Texas are generally lower.
- Most of the construction in Texas will not take place in the middle of active rail operations. Active rail operations, such as in the NEC, can double construction costs.[54]
- Land is less developed and generally cheaper in Texas.

A Large and Growing Ridership

- Texas TGV's high speed rail corridors will connect three of the ten largest cities in the United States: Dallas-Ft. Worth, Houston, and San Antonio.
- The terminal cities of Texas TGV create 71% of the gross domestic product of Texas. The Dallas to Houston route *alone* will connect cities producing 66% of the state's economic activity. The triangle created by the rail corridors will encompass more than 40 four-year universities, and over 180 medical and health-research centers in Dallas-Ft. Worth, Houston, and San Antonio.[55]
- Five of the TGV's terminal cities have major convention centers, sports arenas, and entertainment complexes in or near their downtown areas. TGV stations in Dallas and San Antonio will be only blocks from such complexes; in Houston and Austin, cab or transit rides of less than 10 minutes.
- As Southwest Airlines and its passengers know, the intercity corridors connecting these cities are already heavily traveled, especially by business travelers.

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[52] High speed rail "is recommended as the preferred technology due to a high ratio of revenues to capital costs, relative to the other technologies." High speed rail "should be constructed on an independent right-of-way dedicated for the exclusive use of high speed rail service." The right-of-way should be grade-separated and fenced. "Texas Triangle High Speed Rail Study," Texas Turnpike Authority, p. xi.

[53] In evaluating the quality of the Sverdrup report, one should remember that Morrison-Knudsen, a partner in Texas TGV which played a major role in estimating construction costs, was selected to electrify the NEC from New Haven to Boston, in part, because of its skill in planning, bidding, and constructing electrified railroads. Morrison-Knudsen is keenly aware of cost differences between the NEC and Texas.

[54] Estimate by Morrison-Knudsen, based on their estimates for upgrading electrification on the NEC, from New Haven to Boston.

[55] The GDP of Texas in 1991 was $332,889,000 and has been estimated for 1992 at $338,153,000. 1992 estimates for the terminal cities on the Dallas to Houston route show that these cities produced $223,180,980 of economic activity. The rural population of Texas represents only 6% of Texas population and produces 4% of the state's GDP. Aggregate data on the economic activity of Texas provided by Ray Perryman Consultant, Inc.

One of the Highest Propensities to Travel

Texans have a much higher propensity to travel among their major cities than people elsewhere.

- In 1990, the Dallas-Houston corridor had 543 air passengers for every thousand inhabitants, significantly more than the 333 passengers per thousand in the Northeast Corridor, which was the next highest area of per capita air travel in the U.S.
- Airline seat capacity and frequency of nonstop services are twice the national average on the Dallas-Houston route and more than 25% higher than the national average on the Dallas-Austin and Dallas-San Antonio route.[56]

From its initial ridership studies, Texas TGV expects 8.7 million passengers a year by the year 2000 and 14.5 million passengers a year by 2015. An investment grade ridership study is currently being prepared by an independent consultant, and initial results are confirming the first studies.

As to the credibility of Texas TGV's ridership studies, Lamar Muse, for one, might doubt Mr. Kelleher's pessimism.

- Muse was head of Southwest at its founding and later CEO of Muse Air.
- In 1991, Muse said that traffic forecasts for the late 1990s in regard to high speed rail are "*not near as far out as Southwest Airlines' forecasts of two decades ago*, when compared with the dismal traffic generated by Braniff and Texas International."[57]

10. Texas selected TGV technology because state officials decided it was the best technology available to start a high speed rail industry.

Mr. Kelleher claims that the people backing Texas TGV are simply "train salesmen" who are trying to win subsidies for a "foreign" train.

- He overlooks the fact that Morrison-Knudsen is one of the major partners in Texas TGV. Morrison-Knudsen is a premier *American* company which built one of the great engineering achievements, the Hoover Dam. The Hoover Dam, today, supplies 650,000 acres of irrigation water, and produces 1,340 megawatts of power for cities and homes.
  - Morrison-Knudsen understands *both* high speed rail technology and the engineering of large construction projects.
  - Morrison-Knudsen is the company recently selected by Amtrak to carry out the electrification of the Northeast Corridor from New Haven to Boston. M-K has supervised the construction of over 20,000 miles of new railroad and 360 miles of bored tunnels and shafts on railroad systems.
- American-made components are already used on all TGV's—parts such as the air-brakes and the heating/ventilation systems, both made in South Carolina.

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[56] Proposal for Decision, Hearing Examiner, p. 43.

[57] Emphasis added. In other words, if one had looked at the ridership generated by Braniff and Texas International, one would have been forced to conclude that Southwest's ridership estimates were impossible to meet. Some people worry that high speed rail might suffer from the same problems as mass transit. This is not likely. High speed rail serves an *intercity* travel market: people who make trips of 100-300 miles in length in heavily traveled intercity corridors. Mass transit is an *intracity* transportation system which competes with the automobile for travel within a metropolitan area and trips of less than 50 to 100 miles. It is hard for mass transit to compete for the intracity market. Those who own cars tend to prefer using them for trips less than 100 miles because of the independence and convenience a car provides. Mass transit is also burdened with public purposes: to serve most areas of a city and provide transportation for those who cannot afford automobiles. These public purposes mean that many mass transit systems are required to run transit vehicles on unprofitable routes, thereby raising their operating costs.

- Mr. Kelleher neglects to mention that the tilt-train, soon to be tested by Amtrak, is Swedish and German, and that Turbomeca, a company often touted as a Texas manufacturer of gas-turbine locomotives, is actually a foreign company which manufactures only gas-turbine engines, primarily for helicopters and not locomotives.

There is no purely American high-speed rail technology ready for off-the-shelf application, and I do not think we should wait thirty years to develop it from the ground up. By building a successful high speed rail system, we can quickly be in the front lines of rail technology, so long as we don't get sidetracked by those who would scapegoat foreign technology to prevent the development of a competitive transportation carrier.

- In the late 1950s, American railroad companies decided to abandon research and development of new rail technologies for passenger service and stick, instead, to squeezing more power and efficiency out of slow-speed freight trains. Because slow speed train technology was no longer competitive in the U. S., they largely gave up on developing new technologies.[58]
- The lack of competitive American technology is the main reason why Amtrak has decided to test the Swedish-German X-2000.

As a red-white-and-blue American, I believe that projects like Texas TGV will jump-start an American high speed rail industry.

- A competitive high speed rail system will generate the demand for American research and development and American components.
  - Success in one corridor will accelerate the financing and construction of high speed rail projects elsewhere.
- *In Texas, 75-80% of the total project costs will purchase American goods and services.* The trainsets represent less than 20% of the total project cost.
- Trainsets for the Texas project will be assembled in Texas. Many of the components and parts will be American-produced.[59]
- There is plenty of room in this industry for American high-tech components, all the way up to sophisticated simulators, if we get started *now*.
- Former defense contractors and subcontractors, as well as engineers who have worked for them, will find plenty of need for their services in a new high speed rail industry.

11. Texas *IS* comparable to France.

Mr. Kelleher claims, in his testimony, that Texas is so dramatically different from Europe, and, specifically, France, that high speed rail will not work in Texas (pp. 5-6). He cites two reports, the Sverdrup Report and a study by the Texas Transportation Institute, in support of his claim, which, it is fair to note, implicitly admits that French high speed rail has been successful.

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[58] Financial World, 1/8/85. Ironically, 1955 was the year the French first tested a prototype of what would become high speed rail technology. Curt Stanford, technical consultant to the House Science and Technology Committee, stated, "We found that the U.S. rail industry and Amtrak had failed to take advantage of the state-of-the-art technology to develop high speed rail systems." Metalworking News, 3/25/83.

[59] Texas TGV, Baseline Implementation Plan.

- **Without providing any numerical data, Mr. Kelleher states that, in *Europe, distances are shorter, gas prices today are more than double U.S. prices, population densities are greater, and European air travel today is less common and more expensive than in the U.S.***

It goes without saying that Texas is different from Europe. **What is important to high speed rail, however, is whether the demographics and transportation criteria are *so* different that comparisons with French success are meaningless.**

Mr. Kelleher's comparison is wrong. He makes the *same mistakes* in his comparison as the authors of the reports he cites.

- **First, the general population density of a continent, even a country, is irrelevant for high speed rail.** What matters is the point-to-point population connected by a high speed rail corridor and the volume of traffic in the corridor, especially the volume of business travelers.
- **Second, one should use data specific to particular travel corridors, not continents.** High speed rail is designed to match specific intercity corridors.
- **Third, the time frame of comparison Mr. Kelleher uses is mistaken.** The correct comparison between France and Texas is France in 1982, when the French began their first year of full service between Paris and Lyon, and the Texas of 1998, the approximate year for the inauguration of Texas TGV service.
- **Fourth, the maximum or average travel distances in a country are irrelevant. High speed rail is designed for travel corridors 100 to 300 miles in length, where it is the most efficient means of transport.**

Correcting the mistakes made by Mr. Kelleher and looking at French and U.S. data, one finds that France and Texas are fairly comparable (see Chart 2, attached).[60]

- The distance from Paris to Lyon is 265 miles. The Dallas to Houston distance is approximately 245 miles (231 miles, according to a federal source).
- The point-to-point city **population** to be linked in France by the Paris to Lyon line in 1982 was 2.59 million. The 1990 point-to-point city population for the Dallas-Fort Worth to Houston route is 3.53 million. A comparison of **metropolitan areas** shows Paris to Lyon, in 1982, connected 9.68 million; Dallas-Fort Worth to Houston, in 1998, will connect 8.98 to 9.23 million people, according to population projections.[61]
- In 1982, gasoline cost about $1.50 a gallon in France. In Texas, gasoline currently oscillates around $1.15, but will increase to more than $1.25 by 1995, if the proposed BTU tax is enacted (how much more depends upon the price of oil in 1995 and the increases in federal and state taxes).
- In 1982, the **approximate cost of a Paris to Lyon auto trip**, inclusive of gas, depreciation, maintenance, etc.) was $71. In Texas, the approximate cost of an auto trip from Dallas to Houston (inclusive) is about $62 (1990).

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[60] Analogies should not be taken too far. The Texas corridors should be judged on their own merit as high speed rail corridors. The task of Texas TGV was to submit economic and demographic data to the Texas High Speed Rail Authority showing that high speed rail would work in the Texas corridors. The Authority judged the data valid.

[61] Population projections for all the terminal cities in Texas TGV's system added up to 11.8 to 12.1 million metropolitan population in 1998. In 2015, the metropolitan population in Texas TGV's terminal cities is projected to be approximately 15.5 million. Statistical data for Texas cities was taken from The Statistical Abstract of the United States, 1992, published by the U.S. Dept. of Commerce. City populations for Texas were available only for 1990. Data for French cities and metropolitan areas was provided by Demographic Yearbook for 1984, published by the United Nations. Metropolitan population projections for Texas in 1998 were provided by economist M. Ray Perryman and are available in the Texas Turnpike Authority study.

- Airline travel between Paris and Lyon was available in 1982 and cost approximately $88. In Texas, air travel, Dallas to Houston, costs approximately $79 in 1993.

12. French high speed rail operates profitably and does *NOT* require subsidies.

Mr. Kelleher claims that European *railroad systems* operate with huge losses and require large subsidies. He cites the debts of the German rail system as proof for his claim (p. 7). His comparison and conclusions are incorrect.

- **He should know that *citing statistics on total railway system finances is as misleading as it would be to cite statistics on all aviation companies to evaluate Southwest Airlines.***
  - In Europe, financial data on national railway systems *include* statistics for conventional speed and commuter speed rail, rail systems which typically run losses and require subsidies.
  - The French government, for instance, considers the provision of conventional and commuter rail to all areas of France a public responsibility and continues to operate conventional speed lines whether they show profits or not.
- **Mr. Kelleher's citation of data on *German* railway losses is especially misleading.**
  - German rail, especially high speed rail, has very different construction and operational characteristics. In particular, **the German ICE is about 35% heavier than a TGV** and requires much heavier—**and more expensive**—track, roadbed, and support in its construction.[62]
  - Moreover, the German railways have just finished construction of their high speed rail **and have not had significant time to retire construction debt.**
- **To judge European success, one really needs to look specifically at French high speed rail data.**
  - The French have been operating high speed rail for over a decade.

The financial data available for French high speed rail tell a very different story from that claimed by Mr. Kelleher. According to French observers, high speed rail has actually *revitalized* what had been an aging and inefficient conventional rail system.[63]

High speed rail has actually *boosted the net revenues* of the total system. High speed rail is carrying the burden of the rest of the French rail system.[64]

- **From the very first, the TGV system was designed to be a profit-making venture for French National Railways.**
  - The French railways were under pressure by the French government in the 1970s to increase their ridership and boost their earnings.
  - Routes are planned and decisions made on the basis of a corridor's revenue capacity to support the necessary capital investment and still make a profit.

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[62] The German ICE weighs 23 tons per axle, while a TGV weighs 17 tons per axle. Mr. Kelleher states that the German ICE lost in Texas because they were honest about needing a subsidy. What Mr. Kelleher leaves out is that the German bid was much higher than Texas TGV because the weight of their trainsets required much heavier and more expensive construction and maintenance.

[63] Jean-Philippe Bernard, editor of the French Railway Review (Revue Generale des Chemins de Fer), "Decade of TGV Operation," p. 5.

[64] "A Decade of TGV Operation," Revue Generale Des Chemins De Fer, p. 76. Again, the comparison with Texas should not taken too far. The French have been able to take advantage of existing terminals, ticket facilities, and so on. What really counts is whether the system proposed for the Texas corridors fits the data relevant to the Texas corridors.

p. 20

- **Funding for three French TGV lines (and an extension of the first line) has been internally generated,** with one exception made for reasons of economic development.
    - The French government granted 30% of the construction costs to the TGV Atlantic line, because the *government* wanted to spur tourism and economic development of the French coastline, despite projections which showed a potential ridership lower than desirable.
- **According to French sources, the *operations* of TGV lines have *never* been subsidized.**
    - The Paris to Lyon line began operations in late 1981. During the first ten years of operation, the TGV expanded the overall high speed travel market (TGV and airlines combined) by over 60% and their own capacity by over 100%.
    - Demand for high speed rail travel has grown faster than population growth.
    - French high speed rail will soon carry more than 1/2 of the total mainline passenger traffic in France.
- **Operating costs per kilometer have dropped by 37% from 1982 to 1990.**[65]
- **According to the French, the Paris to Lyon route has generated something on the order of a 12-15% profit and will have already paid for itself by the end of 1993, several years ahead of schedule.**

13. Mr. Kelleher applies data in inappropriate ways and leaves out authoritative data which do not suit his purpose.

Mr. Kelleher referred to the extensive research submitted to the Texas High Speed Rail Authority and to a valuable record of evidence produced during the hearings held in 1991 (p. 4). **He does not mention, of course, that he fought in Texas courts to prevent any public hearing of the issue. And it is curious that, in his testimony, he never refers to the most thoroughly researched, cross-examined, and, in the end, accepted documents which are available:**

- **the Texas Triangle High Speed Rail Study,** which convinced the Texas Legislature of the need for the Texas High Speed Rail Act,[66]
- **the multivolume franchise applications,** containing demographic, economic, financial, environmental, and engineering studies, or
- **the sworn testimony of financial experts** such as Dillon Read, Merrill Lynch, and Banque Indosuez presented during the hearings, and
- **the official report of the Hearing Examiner,** who concluded that high speed rail would promote the public good, including the expansion of transportation and the development and diversification of the Texas economy; that Texas TGV's proposal was both efficient and economically viable; and that Texas TGV was the applicant best qualified to finance, construct, operate, and maintain high speed rail facilities within Texas.[67]

Trying to correct and reconcile all the numbers Mr. Kelleher uses has become almost a full time business. His numbers shift, and it is like trying to hit a moving target. I have already discussed several instances of mistaken statistics and will try to deal with the rest.

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[65] "A Decade of TGV Operation," Revue Generale Des Chemins De Fer, p. 25.

[66] This document was prepared by experienced, professional engineers under the direction of the Texas Turnpike Authority and is impressive in its documentation and research.

[67] The Hearing Examiner was an independent examiner appointed by the High Speed Rail Authority to evaluate the need for high speed rail and the franchise applications which had been submitted. The conclusions are taken from "Proposal for Decision," Hearing Examiner, Texas High Speed Rail Authority, pp. 95-96. The conclusions were unanimously adopted by the Texas High Speed Rail Authority.

Mr. Kelleher states that $5.937 billion dollars will be financed by bonds.

- **This is not accurate. Texas TGV currently plans to seek, at most, $2 billion of tax-exempt financing, if this option becomes available.**

Mr. Kelleher makes the claim that "there is no evidence that a privately financed high speed rail system in Texas is feasible" (p. 6). This is a rather sweeping claim to be made by sixteen words, without any data, especially when Mr. Kelleher leaves out the most important facts.

- **The study he quotes was a study carried out by the Graduate School of Business at the University of Texas at El Paso *which had been commissioned by Southwest Airlines.***
- **Authors of the study did not review or evaluate Texas TGV's studies, data, or plans.**[68]
- **The study examined a *different project*, was carried out *a year before any formal application documents or data* regarding TGV's plan had been submitted**
- **The study was *carried out by persons of questionable training and expertise* regarding the construction, financing, and ridership of transportation modes.**

Mr. Kelleher claims that a recent federal study, "In Pursuit of Speed" proves his belief that the Texas high speed rail project is like any other in the U. S. with respect to costs and revenues (pp. 6-7). **This is an abuse of the data and conclusions of that report.**

- The authors of "In Pursuit of Speed" use hypothetical and generic data to compare, in principle, the alternatives in rail technology. The authors specifically warn against making judgments about any single corridor without first collecting and analyzing the data specific to the corridor.[69] The data they have used is so general as to make simple projections to a corridor unreliable.
- If one examines the report carefully, it is clear that the *authors intentionally decided to exclude high speed rail ridership generated from highway travelers and intermodal connections with airlines.*
  - They focus exclusively on projections from current air travel between pairs of cities.[70]
- **Their decision excludes a major portion of Texas TGV's revenues.**
  - Data for the Texas corridors shows that **ridership from intermodal connections, diverted highway travel, and induced ridership is significant and would be a major** component of Texas high speed rail revenue.[71]
- The authors of the federal report do not directly consider regional differences in a population's propensity to travel.
  - Texans, especially Texas business travelers, have had one of the highest propensities to travel among their cities.[72]
- The authors of "In Pursuit of Speed" **also note that ridership from diverted highway travel can be significant in cases where there are significant entertainment, recreational, and tourist attractions.[73] The Texas corridors fit this description remarkably well.**

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[68] For instance, the ridership estimates were carried out by a professor of accounting with little background in transportation.

[69] See "In Pursuit of Speed," p. 106, for the authors' warning to readers against simple extrapolations to any specific corridor. They advise that we need to collect and examine data from specific corridors.

[70] See, for instance, "In Pursuit of Speed," pp. 108-109.

[71] It is interesting to note that Mr. Kelleher states that he built his airline out of such induced ridership in the Texas intercity corridors. Aviation Week and Space Technology, 10/16/78. "We've got all kinds of people flying that never flew before. . . . Every market that we've gone into we expand the market enormously so there's plenty of passengers for everybody." Arizona Business Gazette, 2/24/89.

[72] See the point made on p. 16.

[73] "In Pursuit of Speed," p. 107.

  - In fact, **Mr. Kelleher painted one of his planes to look like Shamu, the Whale,** to try to tap the tourist market to Sea World in San Antonio.[74]
  - **The cities on Texas TGV's routes contain 5 major theme parks, 3 downtown entertainment complexes, 7 major sports complexes (2 of which are less than 10 blocks from projected rail stations), 4 national sports franchises, 8 major universities, at least 5 nationally-ranked research centers, the leading tourist destination in the state (San Antonio), and the state capital.**

14. A successful TGV will *NOT* damage the airline industry.

Mr. Kelleher testified that, if high speed rail is built in Texas, Southwest Airlines would be ordering fewer planes from Boeing, leading to a further loss of American jobs and exports (pp. 8-9). There are many reasons for the current problems in American aviation, including: deregulation, fare wars, airport congestion, overly high hub expenses, defense cutbacks, and corporate reorganizations. Some airlines might even lay part of the responsibility at the door of Southwest Airlines. Patrick Murphy, of the DOT, stated, "if Southwest had not operated last year the rest of the large U.S. airlines would have been profitable.[75] **Out of all the possible causes, however, I do not think that a *yet-to-be-built* high speed rail system is a cause of current problems. Nor do I think that high speed rail will damage the airline industry of tomorrow.**

Intercity high speed rail will never replace the jet airplane or, for that matter, the automobile.

- On trips up to 100 miles, most Americans will continue to feel that the automobile is the most efficient and convenient transportation for their needs.
- Given the size of the U.S. and the much longer length of long-haul routes, **jet aircraft will continue to be the most competitive and efficient means of transportation for trips over 300 miles in length.**
- **High speed rail is aimed at a different market segment than most airlines: intercity trips of 100 to 300 miles in length.**

Texas TGV will not damage most air carriers. Most carriers have a strategy of building airline networks emphasizing long-haul routes.

- The majority of U.S. air carriers have increasingly shifted to **long-haul routes, where aircraft have the greatest efficiency and highest profit margins.**
  - The Argonne Laboratory estimates that long-haul routes over 600 miles in length use only one-half the fuel per passenger mile as short-haul routes because short-haul flights spend more flying time at fuel-inefficient low-altitudes.[76]
- Industry sources believe that **the trend toward long-haul routes will continue,** with major carriers departing from some smaller regional markets and using corporate relationships with smaller carriers to provide feeder traffic.[77]

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[74] UPI, 5/23/88, Southwest Newswire, 5/23/88.

[75] Some of Mr. Kelleher's past competitors—Midway Airlines, Braniff, Continental, Muse Air, USAir, and America West—might feel even more strongly. Lamar Muse, original president of Southwest and then president of Muse Air, said in 1984 that he felt rival Southwest was using overly aggressive pricing to break Muse Air. "We can't get away from Southwest Airlines," he said at the time, "and they're determined to bankrupt us." United Press International, March 10, 1985. Muse Air ended up broke, then was bought by Southwest and finally liquidated. It is surprising how many of Southwest's direct competitors have filed for bankruptcy. See, for instance, stories in The Dallas Times Herald, June 29, 1981; United Press International, March 10, 1985; The Phoenix Gazette, August 8, 1991; and the Southwest Newswire, Sept. 30, 1991.

[76] Platt's Oilgram News, 5/26/89.

[77] Aviation Week and Space Technology, 3/15/93. The writer states that more airlines will adopt Delta's organization of a feeder system based on part ownership of regional carriers. In March, 1993, several major carriers announced they would be reducing hub operations to cut costs. While it is hard

  - **In fact, many airlines, such as USAir and American Airlines, are interested in using high speed rail as a feeder system for new airline passengers.**
  - **With high speed rail handling more short-haul passengers, airlines will be able to switch expensive airline assets to more profitable, long-haul routes.**

Even Southwest Airlines is *no longer simply* a short-haul carrier. Southwest is, in fact, the seventh largest U.S. carrier, flying an *average haul length of 500 miles* in 1992.[78]

- *Southwest serves 34 cities and 36 airports in 15 states (soon to be 16, in May).*[79]
- *Southwest* dominates intercity markets not only in Texas, but also California (where they are #1) and Arizona. "Southwest's average market share in its own top 100 markets is 64%, compared with 41 percent or less for any other major airline," stated Patrick Murphy, Deputy Assistant in the Department of Transportation.[80]
- Yet, the intercity traffic in the Texas corridors represents *only 5-7%* of Southwest's business today.[81]

It is doubtful that a successful TGV will damage even Southwest Airlines, given the trend in Southwest's operations to longer flights, the ingenuity of Southwest's management, and the flexibility of Southwest's operations, as emphasized by Mr. Kelleher.[82]

- There will be an expanding base of travelers for competitive modes of transportation.
  - It is projected that the total number of travelers in the Texas corridors will triple by 2015.
  - There will always be a portion of the traveling public who prefer to fly.
- **Texas TGV will have no effect whatsoever on over 90% of Southwest's business.**
  - Southwest will offer the same (or better) services as it does today in most of its markets.
  - Texas TGV will not affect Southwest's sizable operations in the west, midwest and southeastern United States.
- When TGV is built, **Southwest Airlines will probably emphasize its air connections** from Dallas, Houston, Austin, and San Antonio to other cities and states, and will most likely continue to offer air service in all corridors for those who prefer to fly.
- **Southwest currently dominates nearly 70% of the Texas intercity market.** With an expanding base, there is surely room for competition.[83]

Properly designed, high speed rail will become a *complementary* technology for existing transportation modes.

- **An intercity Texas TGV will complement the operations of most major airlines.** An intercity train, hooked up to regional airports, can increase traffic through an airport, reduce

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to predict the long-term impact of this change on the airline industry, it is doubtful that the majors will switch from long-haul to short-haul carriers, although they may try to add shorter-route subsidiaries to squeeze out regional airlines.

[78] Southwest's average haul distance increased from 377 miles in 1984 to 512 miles in the first quarter of 1993. Southwest Newswire, 3/6/84 and 2/5/93.

[79] Southwest Newswire, 2/2/93; Testimony of Herb Kelleher, U.S. Congress, p. 1.

[80] Patrick Murphy, in BNA, 4/28/93.

[81] Southwest Newswire, 2/2/93 and 2/5/93. The Los Angeles Times reported on 11/23/92 that Southwest had become the No. 1 carrier in California and that Southwest's corporate strategy had made Southwest the largest player in nearly every market it serves.

[82] See Mr. Kelleher's testimony, March 15, 1993.

[83] The figure is from testimony by representatives of Southwest Airlines during the Texas High Speed Rail Authority hearings. The case of Air Inter, in France, is instructive. Air Inter is the regional airline competing with the Paris-Lyon high speed rail. Air Inter still offers flights on the same route and has had an overall increase in its number of passengers, even though the Paris-Lyon high speed rail has been successful in attracting passengers and operating profitably. See Aviation Europe, 10/16/91.

congestion on feeder highways, and free up expensive and scarce gates for airlines flying long-haul routes. This can increase passengers and cut operating costs.

- **The FAA has adopted the goal of cooperating in the development of an integrated** transportation system, including high speed rail and intermodal links at airports as one of its five strategic goals.[84]

15. Why Mr. Kelleher fights high speed rail and supports mid-speed rail.

Mr. Kelleher seems to indicate a qualified support for mid-speed rail, such as the X-2000 tilt train or gas-turbine technology. He testified that a mid-speed rail technology, such as a tilt-train, might be suitable for the Northeast Corridor or elsewhere (pp. 3-4, 12), but that high speed rail for Texas would be a "boondoggle" (p.12).

What he forgets to mention is that the alternative of mid-speed rail for Texas has already been studied in the Texas Turnpike Authority study and was found wanting.

- The study included elaborate and specific calculations of construction and operating costs, transport time simulations, and ridership estimates.
- The numbers in that study indicate that mid-speed rail, **despite its usefulness elsewhere, would *not* be a cost-effective choice for the Texas Triangle, because of its low ratio of** revenues to capital costs.[85]
- **In all probability, *mid-speed rail would be the boondoggle in Texas* because it would be very costly to build and would not be competitive enough to attract sufficient ridership.**

HIGH CONSTRUCTION COSTS FOR MID-SPEED RAIL

- **Building mid-speed rail to run at 125, let alone 150 mph, involves much more than buying a few trainsets.** Roadbed, tracks, curvature, signaling and communications, electrification, grade crossings, and safety barriers must all be modernized and upgraded, sometimes in the middle of active rail operations.
- **Incremental upgrades with mid-speed is cost-effective for some corridors, like the Northeast Corridor, where significant upgrades have already occurred.**
  - **Mid-speed rail makes economic sense where long-existent urban development, high land prices, or broken terrain make the acquisition of dedicated and straight right-of-way for high speed rail difficult or cost prohibitive.**
  - Incremental upgrades with mid-speed rail may be cost-effective **when existing rights-of-way have already undergone significant modernization,** as in the Northeast Corridor.[86]
- **On the other hand, when corridors have not undergone significant modernization or prior electrification (such as in Texas), mid-speed rail becomes a substantial investment of time and money to create a transportation mode which stops short of being competitive with jet aircraft.**
  - The Texas Turnpike Authority study indicates that a mid-speed system, on existing rights-of-way, for the entire Texas Triangle would require 686 miles (compared to 618 miles for

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[84] FAA, "Long-Term Availability of Adequate Airport System Capacity." As mentioned earlier, USAir Chairman Edwin Colodny has called for a greater use of high speed rail and intermodal connections in airport planning and development. Aviation Daily, 7/25/89.

[85] "Texas Triangle High Speed Rail Study," Texas Turnpike Authority, 1989. The same study indicates that high speed rail is a cost-effective choice for Texas.

[86] Some estimates place the total figure for modernization of the NEC at $4.5 billion.

high speed rail) and would cost 78% of high speed rail. It *could even cost as much as 16% more than high speed rail if built on a dedicated* right-of-way.[87]

- **Attempts to upgrade mid-speed rail beyond 125 mph, on existing right-of-way, will often require a second round of expensive capital spending.**
  - Mid-speed rail would require the acquisition of significant amounts of new rights-of-way for curve flattening, at substantially higher cost and difficulty in later years.
  - Signaling upgrades, electrification, concrete barriers, and total grade separation will be required to reach speeds beyond 125 mph.
- **Given the lower costs, at present, of building high speed right-of-way in Texas, as well as the rudimentary state of existing right-of-way (including the lack of electrification), an incremental strategy based on mid-speed rail is not cost-effective in Texas.**[88]
  - In Texas, the construction costs of mid-speed rail would be nearly as much as the cost of building high speed right-of-way from the outset, and yet would provide *none* of the best benefits of high speed rail.[89]

INSUFFICIENT RIDERSHIP FOR MID-SPEED RAIL

- Although estimates can be highly variable (depending upon the amount of existing right-of-way used and curve flattening carried out), **mid-speed rail's total transport time would *not* be sufficiently competitive with intercity airline traffic to attract ridership, even *if* it proved possible to run mid-speed rail on existing right-of-way at 125 mph.**
  - Chart 1 (attached) provides some rough estimates of total transport times, from Dallas to Houston. Mid-speed rail would require from 209 to 244 minutes, anywhere from 9-69 minutes longer than total transport time by air.
  - Mid-speed rail on existing right-of-way would also, more than likely, cut frequency of service, if the number of trainsets were not significantly increased, from a TGV peak service of every 15 minutes to a mid-speed peak service, perhaps, of one every 30 minutes or longer. (Southwest Airlines maintains a peak-hour schedule of a flight about every 15 minutes.)[90]
- In Texas, mid-speed rail's shortfall in transport time and frequency is the difference between profit and failure. It is unlikely that Texas mid-speed rail would ever pay off construction costs or build ridership to the point that it could lead incrementally to a high speed system, as might be possible in other corridors.

I do not think it is an accident that Mr. Kelleher supports the development of mid-speed rail. The construction of mid-speed rail in Texas, as an alternative to high speed rail, would **guarantee that the rail which is built will not be able to equal or better the total transport times of intercity airline service, specifically Southwest Airlines.**

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[87] "Texas Triangle High Speed Rail Study," Texas Turnpike Authority, 1989, Section VI, pp. 9-10.

[88] Kenneth Mead of the GAO testified before your committee that incremental approaches building on existing rail infrastructure would allow speeds up to 150 mph at the lowest capital cost. The data on the Texas corridors do not support this conclusion, at least for Texas. Given that incremental movement to a true high speed rail would require two rounds of capital spending on a rudimentary right-of-way, the Texas Turnpike Authority concluded that the incremental phase of mid-speed rail is not cost-effective in Texas.

[89] See the cost comparison in the testimony of Kenneth Mead of the OAO, before Congressman Carr's Transportation Subcommittee on March 16, 1993. He testified that mid-speed rail on existing right-of-way can cost from $2 million to $10 million per mile. The data on Texas provided by the Texas Turnpike Authority study indicates that mid-speed rail, in Texas, would be at the upper end of the cost range if service from 100-150 mph is going to be provided.

[90] See, for instance, the estimates on frequency of service for mid-speed rail in "In Pursuit of Speed."

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- Certainly, Mr. Kelleher's advisers have had an opportunity to examine the Texas Turnpike Authority's report and "In Pursuit of Speed," both of which contain data relating to transport times for mid-speed rail.
- **Mid-speed rail in Texas would assure Southwest of continued dominance in intercity travel in the Texas Triangle, for another ten to twenty years, if not longer.**

Mr. Kelleher is worried about *more than Texas.*

- **Southwest has specialized in low-fare, point-to-point intercity service—the same travel market as high speed rail.**
- **Four major markets for Southwest are also prime corridors for high speed rail: Texas, California, Illinois, and Michigan.**
- **The success of high speed rail in Texas will undoubtedly accelerate high speed rail projects in these other states.**

Mr. Kelleher has portrayed this as a story of the need to protect the American airline industry from an unprofitable venture in rail. It is more likely that this is the **story of an established transportation carrier, Southwest Airlines, protecting its dominant position in intercity travel by trying to stop the entry of a new, more efficient, and more competitive carrier, by any means possible.**

16. Mr. Kelleher leaves out the most important issue: what will we do if high speed rail is not built?

I often tell people in Texas, look around you the next time you are driving on an interstate, then double or triple the cars you see. Double the number of passengers you see the next time you are in an airport. If current estimates are correct, that is what Texans, and people in other states, will face in their primary intercity corridors in the next twenty years. We will have to build new infrastructure to handle the increase in travel demand. **The only question is: what kind of infrastructure do we build?**

- **Do we continue to put our resources in only two modes of transportation, highways and airlines, both of which are fast reaching their limits and have significant hidden costs in land use, pollution, noise, and oil dependency?**
- **Or do we build a new, third mode of transportation, high speed rail, which complements the first two and extends the life of their infrastructure by distributing the demands of travelers?**

These are the main points of disagreement I have with Mr. Kelleher's testimony. I do not believe that Mr. Kelleher represents the views of the airline industry as a whole or even the views of most Texans. **In a recent poll, 80% of the Texans surveyed, who gave an opinion, wanted a high speed rail system like Texas TGV to be built.**[91]

I recognize that an incremental approach is probably the best approach for the Northeast Corridor and others. **Studies in Texas indicate, however, that an incremental approach with existing right-of-way, in corridors like Texas, will probably not build ridership and could well end up costing more** than building high speed rail at the outset.

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[91] MEM & Associates, Inc. April, 1993.

In its efforts to improve our transportation infrastructure, I would hope that the federal government considers the differences among corridors and weighs the best means by which to enlist private industry in the effort. Whatever stimulative actions Congress and the Administration decide to take, I hope they are carried out in a way that ***energizes the private efforts already underway.***

ISTEA opened a new era in American transportation. It called for an end to pitting one transportation technology against another and the beginning of intermodal transportation. Those are worthy goals. Judging from most of the responses that Texas TGV receives, the majority of Texans agree. I hope that the information I have provided assists your committee in its work.

Yours truly,

Larry Salci
Vice Chairman, Texas TGV

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ACTIVITY	AUTO	AIRLINE	MIDSPEED RAIL	HIGH SPEED RAIL
CAB/DRIVE	15	15	5	5
WALK	X	5	5	5
TICKET	X	5	5	5
WALK	X	10	5	5
PRE-BOARDING	X	30	8	8
BOARDING	X	10	1	1
TAXI, TAKEOFF	X	5	X	X
VEHICLE TIME	285	55	170	90
LANDING, TAXI	X	5	X	X
DEPARTING	X	10	5	5
WALK	X	10	5	5
CAB/DRIVE	15	15-30	5	5
TRANSPORT DELAY	0	(10-20)	(10-30)	-
TRAFFIC DELAY ON ROADS	(20)	(5-20)	(5)	(5)
TOTAL TIME OF TRANSPORT	315 MINUTES	175- 200 MINUTES	214-249 MINUTES	134 MINUTES

CHART 1
ROUGH ESTIMATES OF TOTAL TRANSPORT TIMES, DALLAS TO HOUSTON

- Approximate cab travel times were obtained from taking representative cab rides in Houston and Dallas and averaging the times. The major reason for differences in cab times between airlines and rail is the difference in distances from the central business districts for rail terminals (which can be measured in blocks) and airports (measured in miles). Driving to and from airports generally requires driving on arterial highways which are congested during peak hours.
- Figures for airline pre-boarding check-in obtained from Southwest Airlines' reservations representatives. They currently recommend a pre-boarding check-in time of 45 minutes for Houston Hobby Airport and a 60 minute check-in at Dallas Love Field and stress that it is important to leave at least that time to allow for all the boarding requirements and receive a boarding pass.
- Loading times for airlines and rail are different because airlines require all passengers to board at one-time through one entrance, whereas rail systems permit passengers to board individually and at several points.
- Airports are larger structures than railroad terminals and require a longer walking time from ticket counter to gate area. Airports have to be built with a sizable number of gates lined up along a concourse (each gate big enough to accommodate an aircraft parked laterally), in order to accommodate the convergence of numerous planes at once. High speed rail terminals, on the other hand, require only a ticketing and administrative area, coupled to a platform area with two to four tracks running through it in parallel lines. Dallas Love Field and Houston Hobby require a walking distance from two to four football fields long.
- The times for mid-speed rail in Texas assume the use of existing right-of-way and sharing right-of-way with freight operations. Transport times would be highly dependent on how extensively existing right-of-way is rebuilt. (The more that existing right-of-way is rebuilt, the more expensive the mid-speed system.)

COMPARISON	PARIS-LYON (1982)	DALLAS-HOUSTON
DISTANCE	265 MILES	245 MILES
CITY POPULATION	2.59 MILLION	3.53 MILLION (1990)
METRO. POPULATION	9.68 MILLION	8.98-9.23 MILLION (1998)
GAS PRICES	$1.50 gal.	$1.15 gal. (1993) Estim. $1.30 (1995)
AUTO TRIP COST	$71	$62 (1993)
AIRLINE COST (ONE WAY)	$88	$79 (1993)

CHART 2:
COMPARISON OF PARIS-LYON CORRIDOR WITH TEXAS TGV CORRIDOR

Tuesday, March 23, 1993.

COALITION FOR RECREATIONAL TRAILS

WITNESSES

ROY W. MUTH, CHAIR, COALITION FOR RECREATIONAL TRAILS
ROB DINGMAN, VICE CHAIR, COALITION FOR RECREATIONAL TRAILS

Mr. Carr. Our next witnesses are Mr. Roy Muth and Mr. Rob Dingman of the Coalition for Recreational Trails.

Mr. Muth. Good morning, Mr. Chairman. Thank you for this opportunity to make this presentation before the subcommittee.

As you know, the National Recreational Trails Fund Act, Title I, Part B of the ISTEA of 1991 established the National Recreational Trails Trust Fund. The act authorized a transfer of revenues to the trust fund from the Highway Trust Fund in amounts which correspond to a portion of receipts from non-highway recreational fuel taxes.

The Coalition for Recreational Trails was formed in January 1992 for the sole purpose of ensuring adequate funding for the National Recreational Trails Trust Fund. CRT's members are primarily national organizations, now numbering 25, which represent the interests of trail users, both non-motorized recreationists and motorized recreationists. A membership roster is attached to my statement.

I would like to point out, Mr. Chairman, that we have such diverse organizations as the American Hiking Society, the American Motorcyclists Association, National Recreation and Park Association. I am trying to describe that it is a very broad-based organization.

The authorization legislation sets an annual limitation on obligations of $30 million for fiscal years 1992 through 1997. In fiscal year 1992, no funds were appropriated; in fiscal year 1993, only $7.5 million was appropriated. Therefore, of the potential $60 million that could have been used on trails projects, currently only $7.5 million is available. We consider that to be a $52.5 million shortfall.

An ongoing CRT survey, which has produced responses from 30 States and the District of Columbia to date, indicates a need for funding current trail projects totalling $322.4 million. As an example, the Michigan Department of Natural Resources, in addition to identifying projects with funding needs totalling $1.810 million reported the following:

"We are pleased that Michigan received more dollars for this fiscal year than any other State: but we could easily spend our $398,000 several times over. Competition for these funds will be fierce. Existing trails on State and local lands are in need of renovation and maintenance, and our entire allocation could easily be used for this purpose. In fact, this amount and more could be used every year for trail maintenance, leaving nothing for new trails. Yet, the State and local units are pursuing many large trail projects and could use our entire allocation on any one of several projects. Also, funds are needed to expand appropriate opportunities for motorized off-road vehicles and restore and protect lands damaged in the past by trail use."

The same need was expressed in their response by the Virginia Department of Conservation and Recreation, which described over $1 million in unmet trail funding needs. That response also included the following:

"Virginia has not begun accepting applications for the National Recreation Trails Act program. However, we have received inquiries from numerous agencies and organizations for a variety of projects. We estimate that there are at lest eight projects with proposed funding needs of over $1 million for fiscal year 1993. We believe many more projects will surface when grant packages are mailed this spring."

A summary of all the responses is attached to this statement.

The trail systems and projects that would be developed or restored through the trails trust fund will have significant recreational and environmental value. Equally important is the economic impact of the projects funded by the act. These projects will help create new jobs, enhance property values, expand local businesses, and increase local tax revenues.

Mr. Chairman, the investment in these vital recreational resources is badly needed. We urge your leadership and that of the of the subcommittee in providing the full $30 million.

I would be happy to answer any questions you might have.

[The prepared statement of Mr. Muth follows:]

U. S. HOUSE OF REPRESENTATIVES
APPROPRIATIONS COMMITTEE

Hearing of the Subcommittee on Transportation
March 23, 1993

Testimony of Roy W. Muth, Chair
Coalition for Recreational Trails

Mr. Chairman and members of the Subcommittee, the National Recreational Trails Fund Act, Title I, Part B of the Intermodal Surface Transportation Efficiency Act of 1991 (PL102-240), established the National Recreational Trails Trust Fund. The act authorized a transfer of revenues to the trust fund from the Highway Trust Fund in amounts which correspond to a portion of receipts from nonhighway recreational fuel taxes.

The Coalition for Recreational Trails (CRT) was formed in January 1992 for the sole purpose of ensuring adequate funding for the National Recreational Trails Trust Fund. CRT's members are primarily national organizations, now numbering twenty-five, which represent the interests of trail users -- both nonmotorized recreationists and motorized recreationists. A membership roster is attached to this statement.

The authorizing legislation sets an annual limitation on obligations of $30 million for FY 1992 through FY 1997. In FY 1992, no funds were appropriated; in FY 1993, only $7.5 million was appropriated. Therefore, of the potential $60 million that could have been used on trails projects, currently only $7.5 million is available -- a $52.5 million shortfall.

An ongoing CRT survey, which has produced responses from 30 states and the District of Columbia to date, indicates a need for funding current trail projects totaling $322.4 million. As an example, the Michigan Department of Natural Resources, in addition to identifying projects with funding needs totaling $1,810,000, reported the following:

> "We are pleased that Michigan received more dollars for this fiscal year than any other state: but we could easily spend our $398,000 several times over. Competition for these funds will be fierce. Existing trails on state and local lands are in dire need of renovation and maintenance, and our entire allocation could easily be used for this purpose. In fact, this amount and more could be used every year for trail maintenance, leaving nothing for new trails. Yet, the state and local units are pursuing many large trail projects and could use our entire allocation on any one of several projects. Also, funds are needed to expand appropriate opportunities for motorized off-road vehicles and restore and protect lands damaged in the past by trail use."[1]

The same need was expressed in their response by the Virginia Department of Conservation and Recreation which described over one million dollars in unmet trail funding needs. That response also included the following text:

> "...Virginia has not begun accepting applications for the National Recreation Trails Act program. However, we have received inquiries from numerous agencies and organizations for a variety of projects. We estimate that there are at least (8) eight projects with proposed funding needs of over $1,000,000 for FY '93. We believe many more projects will surface when grant packages are mailed this spring."[2]

A summary of all the responses is attached to this statement.

The trail systems and projects that would be developed or restored through the trails trust fund will have significant recreational and environmental value. Equally important is the economic impact of the projects funded by the Act. These projects will help create new jobs, enhance property values, expand local businesses and increase local tax revenues.

Mr. Chairman, the investment in these vital recreational resources is badly needed. We urge your leadership and that of the Subcommittee in providing the full $30 million appropriation for the National Recreational Trails Trust Fund.

Thank you.

[1] Source: Letter dated January 29, 1993 from Michael D. Moore, Deputy Director, Resource Management, Michigan Department of Natural Resources

[2] Source: Letter dated February 19, 1993 from Art Buehler, Director, Division of Planning and Recreation Resources, Virginia Department of Conservation and Recreation

Trail Projects Eligible for Funding Under the National Recreational Trails Fund Act

Current Funding Needs

Alaska	$ 625,000
Arizona	6,266,000
California	30,000,000
Colorado	5,417,332
District of Columbia	1,200,000
Delaware	30,000
Florida	4,100,000
Georgia	212,000
Illinois	575,000
Indiana	3,500,000
Iowa	2,259,603
Kansas	14,834,594
Kentucky	512,096
Maryland	1,109,500
Michigan	1,810,000
Minnesota	10,000,000
Missouri	578,384
New Jersey	149,000,000
New York	2,500,000
North Carolina	8,781,000
North Dakota	2,255,665
Ohio	670,270
Oklahoma	182,850
Oregon	156,000
Pennsylvania	68,600,000
South Carolina	750,000
Texas	3,150,000
Vermont	1,000,000
Virginia	1,000,000
Wisconsin	1,116,500
Wyoming	225,000
TOTAL	**$322,416,794**

NOTE: Individual state data is available from the Coalition for Recreational Trails on request.

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Mr. CARR. Thank you for your testimony.

I was looking over your chart that you submited on the current funding needs. Who compiled that list?

Mr. MUTH. I did, sir.

Mr. CARR. How did you do that?

Mr. MUTH. I wrote to the points of contact that were identified by the Federal Highway Administration as administering the programs in each State and asked them to submit that data. Those are the letters that I am providing to the staff.

Mr. CARR. Would it have been a different person in each State? For instance, in one State could it have been the transportation director and in another State the D&R director?

Mr. MUTH. Yes.

Mr. CARR. Which States were not transportation directors? Can you identify those?

Mr. MUTH. It will be a little tedious, sir, but I think we can go through the letters if you're interested and give you a sampling.

Mr. CARR. If you would do it for the record, I am quite interested in how this list was compiled because just looking it over here, the ninth largest state in the Nation, New Jersey, says that it has 40 percent of the needs of the entire country. That is a rather astounding figure.

The largest State in the Nation, California, is at $30 million, New York is at $2.5 million, Texas at $3.15 million; and New Jersey is at $149 million?

What are they going to do with $149 million?

Mr. MUTH. Mr. Chairman, I would have to go back and refresh my memory on the response from New Jersey. I have in some cases just received a letter that said that they needed X amount of money without amplification of what those various projects concern.

As a matter of fact, we asked that the States identify specific projects and put a dollar value with each one. I would probably be able to give you a much more satisfactory answer.

Mr. CARR. Just looking over the list—it is yours to tell us what you did, but when you have New Jersey at $149 million and you have Pennsylvania at $68 million and then California at $30 million, and then they all trail off into seven digits with the exception of Kansas. What are they doing in Kansas?

It seems intuitively that we didn't get much real information from your survey.

Mr. DINGMAN. Mr. Chairman, The National Recreational Trails Fund Act calls for the governor of each State to designate an agency to administer the program in the State. By and large, most governors have appointed the D&R or a like agency. In some instances, they have chosen the Department of Transportation.

To answer your question, we can provide the list prepared by the Federal Highway Administration. Those are the agencies that we went out to for the survey tot ask what their needs are.

In some instances, their needs are kind of arbitrary because they don't know. But reading from the New Jersey letter, I can tell you that for this fiscal year alone, New Jersey DOT received 220 proposals of $155 million for approximately $6 million available. A request for funding from the New Jersey State Park Service alone totalled over $7 million. A State trails inventory of almost 100 trails and trail systems has revealed a great need for signage, parking lot construction, erosion control measures, informational brochures on trails and trail etiquette, conversion of trails to be made accessible for the disabled under the guidelines of the American with Disabilities Act, and acquisition of land for new trails or trail facilities.

New Jersey's $124,000 in fiscal year 1992 will be far short of getting close to the trail needs in our State.

It is hard to say whether other States have just underestimated what their needs are. All we have to go on is what States tell us their needs are. Clearly, there are needs out there. That is all we're trying to point out with the survey, not that New Jersey has more needs than another State. We're just trying to point out that some States feel that they can spend the entire allocation that is allotted for the entire program nationwide.

Mr. CARR. I just have to tell you that your association, as young as it is, might go back to the drawing board and try to put something together that has a little more meat to it instead of just asking people what they want.

I can ask people what they want and it would be in the billions. Frankly, that doesn't help the committee.

Can you imagine what our friends in the media would say if we were taking highway trust fund money to finance trail etiquette in New Jersey? It just doesn't compute.

I don't think you and your association, in terms of credibility with this committee, if you want to get into the business of forwarding a grab bag of whatever throughout the country—I think until we get more solid information on what we're being asked to fund, we're simply not going to fund very much.

With all due respect to our friends on the authorizing committee, we have to come up with real things here, not things that are as ridiculous as trail etiquette. I don't think for a minute that you buy that, but I think you need to go back to your membership and go back to some of these States.

In the focus of this committee being transportation, it would appear that perhaps recreation as transportation is blurring the focus. It might be that the Interior Subcommittee might be the more appropriate place to fund these kinds of things. I know there are needs. We have national parks throughout the country which suffer because of egress from the park area. They don't seem to rank very high on State highway lists.

I must say in all candor that unless we know exactly what this money is going for, there is probably very little prospect that we are going to be able to improve on what we did last year.

Mr. DINGMAN. Mr. Chairman, to put into focus why we are looking for transportation money in this fund, the National Recreational Trails Fund Act applies the same user-pay, user-benefit principle that is the essence of the Highway Trust Fund to recreational trails in that recreational trail users are burning fuel off-highway in their motorcycles, et cetera. They currently receive no benefit from the highway trust fund unless there is funding from the Highway Trust Fund into the National Recreational Trails Trust Fund.

The $30 million limitation on obligations is well short of what is actually attributable to those non-highway sources.

Mr. Carr. Well, there are a lot of people who mow their lawns and pay a highway tax.

Mr. Dingman. That actually goes to wetlands now.

Mr. Carr. Not my lawn mower. I get it at the gas station. I am paying a highway tax to mow my lawn. There is a lot of justifications there.

Thank you for your testimony. We look forward to working with you in the future.

Mr. DeLay?

Mr. DeLay. What is volksports?

Mr. Muth. It is a hiking club type of activity. I think it was transported over from Germany, if I am not mistaken.

Mr. DeLay. It sounded almost like Volkswagen. [Laughter.]

You said something about compliance with the ADA. Do you have any studies, figures, or forecasts of what the ADA is going to do to our national trails system with regards to obligations and what kinds of renovations or remodeling we will have to do?

Mr. Muth. I'm not aware of any, sir.

Mr. Dingman. We don't have any kind of prediction of that. The Federal Highway Administration is really going out of their way in implementing this to assure that the disabled interests are represented. The authorizing legislation did not call for a disabled member of the National Recreational Trails Advisory Committee, but FHwA saw the need and felt the need to add someone with disabilities onto that advisory committee. Many States are doing that as well.

But to forecast how that is going to impact our trail system, we don't know.

Mr. DeLay. Will we know?

Mr. Dingman. The Federal Highway Administration may be able to come up with some kind of data. When we go to the States, we're going to get the same kind of information with this study, that is difficult to standardize.

Mr. DeLay. I think this committee has already been shown, through the leadership of our chairman, that we are very interested in what kind of obligations we are setting ourselves up for in the out-years. I think it is something that we ought to watch as we expand the trust fund money into the trails area. Are we also expanding our obligations in the out-years when the disabled community comes back for renovations of trails that may be created?

Also, are most of the needs on this chart national parks or all parks?

Mr. Muth. It's all trails, all varieties.

Mr. DeLay. Thank you, Mr. Chairman.

Mr. Muth. Mr. Chairman, I didn't come here to mislead you or overstate the need of the trails community, believe me. I wanted to illustrate that there is a tremendous need, especially in the maintenance area to get this work done and $30 million will barely scratch the surface. I can assure you of that.

I think when your staff has a chance to go through some of these responses that detail specific projects, that will become very clear. If I gave you any other impression, I would apologize.

Mr. Carr. No apology is necessary. I am just saying that you did a neat survey that had some rather aberrant results. As a result, it causes us to think about how credible the entire list is. Perhaps working with you in the future we can get a better handle on what we're talking about.

Thank you for being here.

There being no other business before the committee today, we will adjourn until 9:00 a.m. tomorrow.

WEDNESDAY, MARCH 24, 1993.

LAFAYETTE RAILROAD RELOCATION PROJECT

WITNESSES

HON. JOHN MYERS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

JAMES F. RIEHLE, MAYOR, CITY OF LAFAYETTE, INDIANA

LIZ SOLBERG, PROJECT MANAGER, LAFAYETTE RAILROAD RELOCATION PROJECT

OPENING REMARKS

Mr. CARR. We will call this meeting of the Transportation Appropriations Subcommittee to order. I welcome you all here today.

Today we will hear testimony by public witnesses, people from around the country who benefit from various transportation programs and have some advice for the Committee.

We will call as our first witness, our good friend and colleague on the Committee, Congressman John Myers of Indiana, for purposes of an introduction.

Mr. MYERS. Thank you, Mr. Chairman.

We have a great number of people here with us from the Lafayette Chamber of Commerce.

One of the nice things about this project is that it has bipartisan, State, county, and city support. This one is certainly not a divided issue.

Mr. Chairman, I present Jim Riehle, the mayor of Lafayette, who has been mayor for 20 years. With him is Liz Solberg, the manager of the Lafayette Relocation Project. This project has been before this committee for a good many years and it is certainly no stranger. But in the interest of time, I will let the mayor and Liz make their presentation.

Mr. CARR. Mayor, welcome. We will include your statement in the record and you may summarize.

Mayor RIEHLE. I appreciate the opportunity to review the testimony that has been previously submitted to the committee.

I am James Riehle, mayor of Lafayette, Indiana. We have a railroad relocation project that has been ongoing in our city for a number of years. We were included in the 1973 Highway Act, section 163, which as you know is a program that decreases the conflict between the railroad and the automobile and promotes highway safety. Our project, when completed, will eliminate 42 at grade crossings.

We have been successful and received support. I want to express my appreciation to the committee and to Congressman Myers for the strong support of our railroad relocation project.

We have proceeded and progressed with it to a point where we have completed two segments of our railroad relocation project. We have two under construction. We have another phase that would be completed this spring.

We are here this morning to seek your support and appropriation of $11.3 million to advance our fifth and final stage. As I mentioned, once completed, we will have eliminated 42 grade crossings. We experience a number of accidents every year with our trains that pass through the city, one within a block of the courthouse and City Hall that goes right down the middle of our downtown district. The Norfolk Southern Rail Line that has two main line tracks, transverses our city in the northeast to southwest direction.

As I mentioned, we experience a number of accidents every year. With this project, we would eliminate those.

We are very proud of the fact that we have included the public in the development of our plan. We have had strong community support and are very proud of the fact that in 1981 we received an award from the National Endowment of the Arts and the United States Department of Transportation for their public participation of our project.

Here today we have the mayor of West Lafayette, the county commissioner, the president of the Greater Lafayette Chamber of Commerce, and the president of Greater Lafayette Progress, Incorporated, an economic development of our community. We are proud of the fact that we have involved the public in our project.

But as we have moved the project along, of course without the support of Congress and meeting the intent of Congress on section 143 of the 1973 Highway Act, we would not be where we are. But our plan is to consolidate two successful railroads that go down the middle of our city. We will relocate these two railroads in a corridor that is outlined in maroon on the folder that we included with our testimony.

Again, we are very appreciative of the support we have received from Congress and this committee. We would seek your support in continuation of our project and appropriation of funds that we requested.

[The prepared statement of Mayor Riehle follows:]

TESTIMONY SUBMITTED TO
THE UNITED STATES HOUSE OF REPRESENTATIVES
SUBCOMMITTEE ON TRANSPORTATION
# of the
COMMITTEE ON APPROPRIATIONS

by
Mayor James F. Riehle
City of Lafayette, Indiana
March 24, 1993

Summary : The City requests FY '94 funding of $11.3 million, which will create 187 jobs, for work which is ready for bid-letting to advance the fifth and final segment of the Lafayette Railroad Relocation Project. This vital infrastructure project was authorized in Section 163 of the Federal Aid Highway Act of 1973 as amended. Environmental approval was received in 1979 and design approval in 1981. Of the five independently useable segments, the first and second are complete; the third and fourth (CSX Relocation) are under construction. A total of 42 at-grade crossings are eliminated by the completed project. However, the substantial benefits of the project are primarily realized with the elimination of 24 at-grade rail crossings in the fifth and final segment (Norfolk Southern Relocation).

I am James Riehle, Mayor of Lafayette, Indiana, and I thank you for the opportunity to present testimony. First, I would like to express my thanks to the Members of the Subcommittee for past funding which has facilitated construction of four of the five segments comprising the Lafayette Railroad Relocation Project. Congressman John Myers has worked closely with the City in reaching these milestones. This vital infrastructure project was originally authorized under Section 163 of the Federal Aid Highway Act of 1973 as amended. I come before you today to request funding to advance the fifth and final segment which will eliminate 24 at-grade crossings and bring the project total to 42.

If you will open the brochure (the last item bound into the testimony), the project becomes clearer. The City is consolidating the Norfolk Southern and CSX Transportation tracks, shown in gold, into a single new corridor, shown in red. Notice the CSX tracks actually going along 14 blocks of a central city thoroughfare.

With 35,000 students attending Purdue University across the Wabash River in West Lafayette and significant industrial expansion occurring east and south of Lafayette, the highway traffic conflict with trains is rapidly accelerating.

Ambulances, fire and police vehicles, 9 of 14 bus routes and approximately 13,000 vehicles are stopped daily by trains. There are 12 to 16 accidents annually (see Exhibits 1 & 2). The present track location also depresses the economic potential of large portions of the central city and considerably impedes the flow of interstate rail commerce.

Our current efforts to solve this crippling situation began in 1969 and the project has been the top priority of my administration in the twenty-one years I have been Mayor. Since 1976, Railroad Relocation has been a separate department of City government run frugally but effectively by just three full-time employees for most of its history. In 1979 the project office was established in the Big Four Depot shown on the brochure which is being restored for use as an intermodal Amtrak passenger facility.

Public participation has been the guiding force for the City's endeavors. The quality of our design and our design process received national acclaim in 1981 when the Design for Transportation National Awards Program, co-sponsored by the Department of Transportation and the National Endowment for the Arts, selected the Lafayette Railroad Relocation Project to receive one of only 17 awards of design excellence out of 250 entries.

We are proud of this design which successfully threads a new rail corridor through an existing urban area in a way that has evoked broad public approval. Let me introduce those who are here today in support of the project:

Sonya Margerum, Mayor, West Lafayette
Nola Gentry, President, Tippecanoe County Commissioners
Bob Ford, Chairman Elect, and
Dan Smith, President, Greater Lafayette Chamber of Commerce
Bob Whitsel, President, Greater Lafayette Progress

and then.....

Jim Backoff	(Backoff Financial Services)
Tony Benton	(Stuart & Branigin-Law)
Joe Bumbleburg	(Ball, Eggleston, Bumbleburg & McBride-Law)
Jim Carney	(J. C. Penney)
Butch Hancock	(PSI Energy)
Don Holst	(Don Holst Travel)
Dr. Gary Isom	(Purdue University)
Alan Kemper	(Kemper Farms)
Pete Kingma	(IBM)
Dr. John Knote	(Diagnostic Medical Imaging)
Celia Lovell	(Norfolk Southern)
Rick McKinnon	(Subaru-Isuzu Automotive)
Lina Reeves-Kerner	(BioAnalytical Systems)
Joe Seaman	(President, Bank One)
Jim Shook	(The Shook Agency)
Liz Solberg	(City of Lafayette)
Bert Strain	(President, First Bank)
Robert Weeder	(Lafayette Bank & Trust)

representing a broad range of interests in the community.

The project has had the continual support of Indiana governors of both political parties resulting in nine state grants for the project. And railroad cooperation has been outstanding as tangibly evidenced by the commitment to donate over twenty acres of central city land.

The City has aggressively obligated the previous federal funds you have made available which lead to a number of recent celebrations (see Exhibits 3-7):

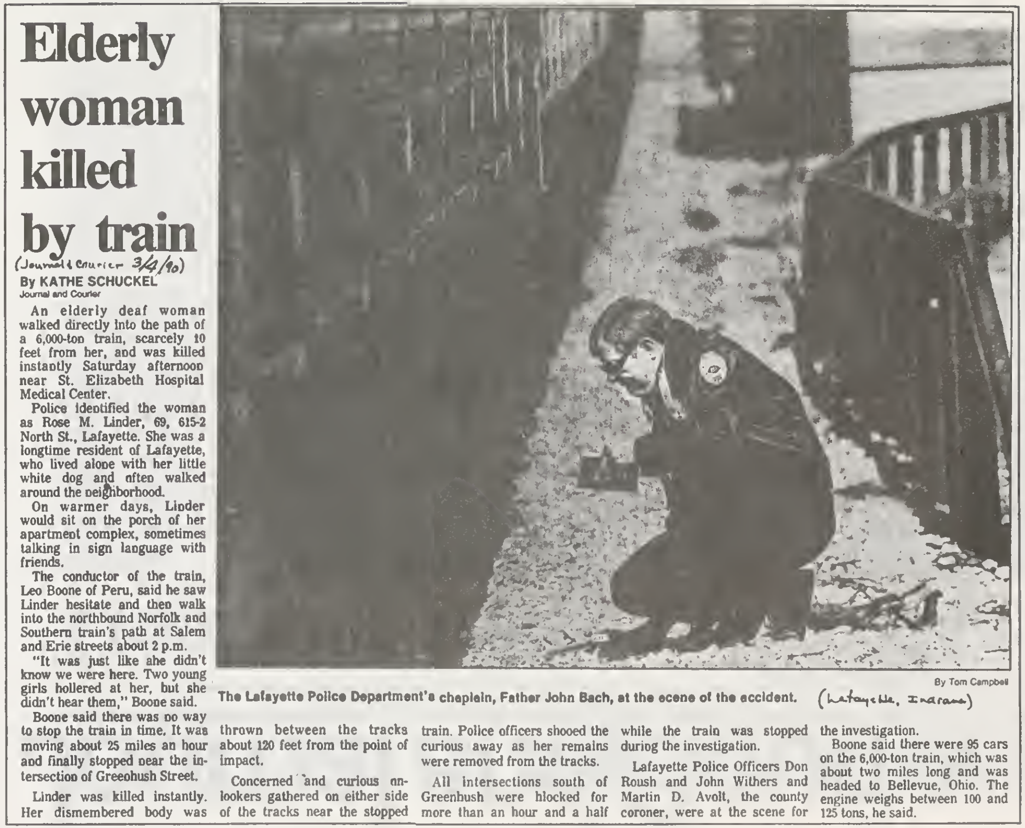
> Twin State Road 26 bridges across the Wabash River opened last May-- Segment #2 of the project.
> The first train crossed the Segment #3 rail bridge last October.
> We also broke ground for Segment #4 construction.....
> And began land acquisition for Segment #5 last year.

The City is requesting funding to advance the fifth and final segment of the project, specifically: $11.3 million in FY '94 for work which is ready for bid-letting (i.e. reconstruction of Fifth Street, embankment construction, and bridges over Wabash Avenue) which will create 187 new jobs. Over 1400 jobs have been created by the project to date.

Over two-thirds of the rail traffic through the central city is carried on the tracks to be relocated in this final segment, so most of the economic benefits are not realized until the project has been completed. To halt the Lafayette Railroad Relocation Project at this point would waste the large investment already made and would deal a severe blow to public confidence in government generally.

Because of critical safety, infrastructure, and economic revitalization needs; because of overwhelming public support and two decades of bi-partisan political effort at the local, state, and federal level; and because of a proven record of accomplishment through four segments of project construction; I respectfully request that you appropriate funds to advance the fifth and final segment of the Lafayette Railroad Relocation Project. Thank you.

Exhibit 1



Elderly woman killed by train

(Journal & Courier 3/4/90)

By KATHE SCHUCKEL
Journal and Courier

An elderly deaf woman walked directly into the path of a 6,000-ton train, scarcely 10 feet from her, and was killed instantly Saturday afternoon near St. Elizabeth Hospital Medical Center.

Police identified the woman as Rose M. Linder, 69, 615-2 North St., Lafayette. She was a longtime resident of Lafayette, who lived alone with her little white dog and often walked around the neighborhood.

On warmer days, Linder would sit on the porch of her apartment complex, sometimes talking in sign language with friends.

The conductor of the train, Leo Boone of Peru, said he saw Linder hesitate and then walk into the northbound Norfolk and Southern train's path at Salem and Erie streets about 2 p.m.

"It was just like she didn't know we were here. Two young girls hollered at her, but she didn't hear them," Boone said.

Boone said there was no way to stop the train in time. It was moving about 25 miles an hour and finally stopped near the intersection of Greenbush Street.

Linder was killed instantly. Her dismembered body was thrown between the tracks about 120 feet from the point of impact.

Concerned and curious onlookers gathered on either side of the tracks near the stopped train. Police officers shooed the curious away as her remains were removed from the tracks.

All intersections south of Greenbush were blocked for more than an hour and a half while the train was stopped during the investigation.

Lafayette Police Officers Don Roush and John Withers and Martin D. Avolt, the county coroner, were at the scene for the investigation.

Boone said there were 95 cars on the 6,000-ton train, which was about two miles long and was headed to Bellevue, Ohio. The engine weighs between 100 and 125 tons, he said.

By Tom Campbell

The Lafayette Police Department's chaplain, Father John Bach, at the scene of the accident. (Lafayette, Indiana)

Journal and Courier

Lafayette-West Lafayette, Indiana 11-7-87 35 cents

Train kills woman at crossing

By KAY SHIPMAN
and MARK SKERTIC
Journal and Courier

A Lafayette woman apparently was trying to beat an oncoming train when she drove around a downtown crossing gate and was blindsided by a train coming from the other direction Friday afternoon.

Bobbi Sue Siler, 20, was killed instantly, according to police reports. Her red Honda Accord was speared by one of the trains and then ripped apart as it was sandwiched by the train coming from the other direction.

Afterward, scraps of red metal, pieces of plastic and shards of glass were scattered several hundred feet along the tracks.

Siler, who lived at 1841-31 Shoshone Drive, was eastbound on South Street when she was stopped at the tracks near 10th Street by lowered train gates with flashing lights, according to Lafayette police reports.

Witnesses told police Siler apparently saw a southbound train several blocks away, and she backed up and drove around the gates. She was struck almost instantly by a northbound train about 12:45 p.m.

"Her attention was to the north when the northbound train

See CRASH, Page A3

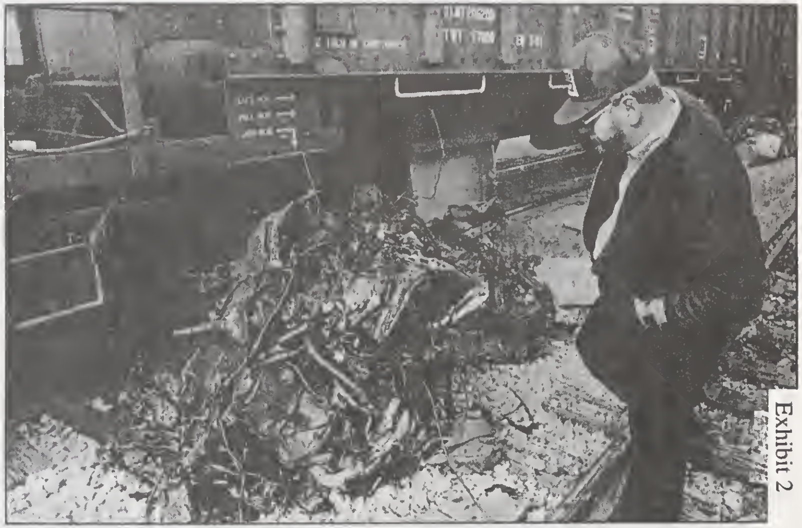
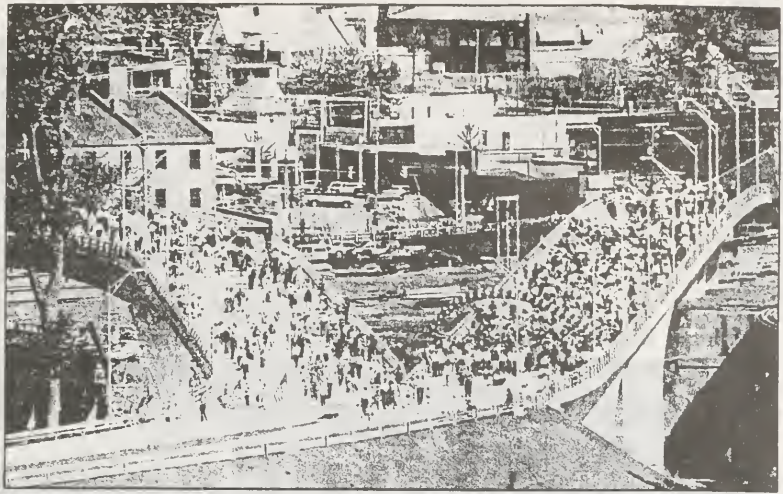


Exhibit 2

By Jason M Martin

WRECKAGE: Dr. Martin Avolt, Tippecanoe County Coroner, looks at debris from Friday's car-train crash. A woman was killed.

Exhibit 3



By Tom Campbell/Journal and Courier

The view from West Lafayette: Pedestrians stream over the Columbia Street bridge (left) and the South Street bridge during Friday's opening festivities.

Journal + Courier 5-16-92

'A new generation of cooperation'

Officials, spectators, protesters all have their say about bridges

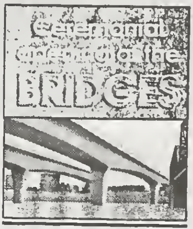
By KELLY ROTA
Journal and Courier

"Ain't God good to Indiana?"

Hoosier poet William Herschell wrote those words in 1919. West Lafayette Mayor Sonya Margerum borrowed them Friday to welcome the crowd of happy Hoosiers celebrating the ribbon-cutting ceremony for the new Indiana 26 bridges.

Under picture-perfect afternoon skies and arches of red, white and blue balloons, Lafayette Mayor Jim Riehle, Margerum and U.S. Rep. John Myers cut the ribbon on the South Street bridge, symbolically opening the new sloping bridges across the Wabash River.

The $15.2 million bridges mark the completion of the second phase of Lafayette's Railroad Relocation Project, designed to eliminate 42 rail crossings.



For photo display see Page A4

Wearing his train-emblazoned tie, Riehle called on the thousand or so spectators who gathered on the Columbia Street bridge to celebrate "a new generation of cooperation" for Lafayette and West Lafayette.

Among the flag-waving frenzy were about 10 members from St. Mary's Cub Scouts troop, and two busloads of Klondike Elementary School second- and third-graders, sporting T-shirts that read "Klondike Under Construction."

Second-grade teacher Vickie Pearl said the 135 students first visited the bridges while they were under construction in the fall. Now they can see the results, she said, as they watch their school go through construction.

Second-grader Ashley Putnam celebrated her eighth birthday during her class' trip to the bridge. She said it was fun to be there, but, "I just hope the bridge doesn't fall down."

Her classmate, Rachael Schlatter, 8, said the bridges were "pretty cool," and she wanted to see the balloons released in the air and the ribbon cut.

A handful of people protested the ceremony and the money that was spent to build the bridges.

Rhonda Taylor, 17, of Lafayette held a sign that read "Name the new bridge Worthless." Robert Johnson, 19, carried a sign saying "Damn the bridge. Support the People."

They said the money would have been better spent on the homeless or for other services that residents need.

See BRIDGES, Page A4

A4 World

Journal and Courier, Friday, May 15, 1992

Ceremonial opening of the BRIDGES

Festive balloon lands in yard

By PETER AGOSTINELLI and FRANK OLIVER
Journal and Courier

Residents on South Seventh Street got a surprise in their front yard late Friday afternoon.

It was a RE/MAX advertising balloon.

Believe it or not, it came from the ceremony at the opening of the new Indiana 26 bridges.

Dave and Deb Poelstra, 522 S. Seventh St., were getting ready about 5:30 p.m. to go their son Josh's awards ceremony for Lafayette Christian Schools when they heard a funny sound coming from the front yard.

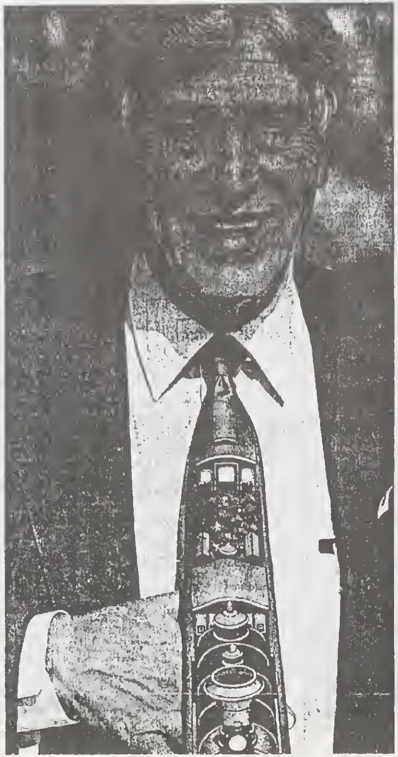
"We had just walked out the side door when we heard this big 'whooosh' from above the trees," Dave Poelstra said. "I looked up and it was this big balloon."

Pilot Dave Thiel of Balloon Port of Indiana, an Indianapolis-based firm that contracts advertising balloons for businesses, said he was flying the balloon from a tethered position near the new bridges when he ran into trouble.

Thiel said winds, which were very weak to begin with, had died down to almost nothing by the time he was airborne. The winds weren't strong enough to take him to his intended landing destination, the Lafayette Country Club golf course on South Ninth Street.

"The premise was that we were to tether the balloon near the bridge and fly it over the crowd," he said. "I didn't want to fly it considering the small amount of wind, but RE/MAX wanted their advertising, I'm sure.

"A thermal pocket was taking me in little circles. I was running low on fuel too, so I decided to



Downtown folks hope for crossing to new era

By DAVID SMITH
Journal and Courier

Rick Wheeler sighs each time a train rumbles outside his Downtowner Restaurant at Fifth and Main streets, especially at noon when the dinner hour reaches its peak.

"With two or three of them at lunchtime, it cuts me off from people who work downtown," Wheeler says. "I draw all my business downtown, from people who work downtown."

Wheeler, for one, is looking forward to the day when Railroad Relocation removes the trains from Fifth Street and reroutes them along new tracks along the river and under the new Indiana bridges.

Doug Mennen, a commercial real estate broker and partner in Century 21 Mennen Realty, says the new bridges send a strong signal to the people of Lafayette and to potential developers.

"I think it's great," he says. "I think it's something people in town have waited for for a long time.

"The whole project of Railroad Relocation will bring a new outlook to downtown."

Mennen's firm is selling the Reifers Building at Ninth and Main streets, a vacant commercial property.

"There's some very serious interest in it," he says.

He hopes that as Railroad Relocation progresses, developers will make their move on downtown properties like the Reifers Building.

"I think when the bridge opens, there's going to be a general feeling that if someone were going to do something downtown, now's the time to do it," Mennen says. "I get that impression from the clients I've talked to."

Bob Rose, owner of the Loeb's Building on the courthouse square, says the new bridges will increase traffic on Columbia and South streets, which straddle his property.

"I'm really excited about it. Having grown up here and seen downtown when it was bustling, it's kind of exciting," he says.

Downtown retail business has declined steadily since Tippecanoe Mall was built in 1973, despite growth in service and government offices. Rose says the trains, which run day and night, make it difficult to sell or lease downtown property.

"I've always dreaded having to go through downtown Lafayette because of the possibilities of a train," he says.

The completion of the Columbia and South street bridges thus are an important step toward marketing vacant downtown properties, he says.

"This is just one stumbling block removed. I've already noticed expectations about what people might get for properties have risen."

Wheeler is more cautious. He says removing the trains is only half the battle. Stores that attract people must come into downtown.

"That question will be answered when the train stops going through downtown," he says. "Then we'll see if people are ready to spend some money and invest in Lafayette."

Exhibit 3
(cont.)

considering the small amount of wind, but RE/MAX wanted their advertising, I'm sure.

"A thermal pocket was taking me in little circles. I was running low on fuel too, so I decided to take her down."

After the country club, Thiel's second choice was the nearby Potter mansion, but the Poelstra front yard had to do.

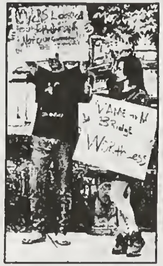
Balloon Port crew chiefs Paul Moore and Danny Reuter assisted Thiel after the emergency landing, taking the balloon apart and packing it onto the company truck. They said they had seen ballooning accidents before, but this one people could laugh about.

Thiel fortunately was able to ease the balloon onto the neat front lawn of the Poelstra home before a curious audience of neighbors.

Dave Poelstra helped the balloonist by grabbing the tether line thrown to him and easing it to the ground.

Van Phillips, 534 S. Seventh St., said the pilot looked at him after landing and said, "It's the cocktail hour so I thought I'd drop in."

Phillips summoned up three cold beers for the crew and welcomed them to the neighborhood.

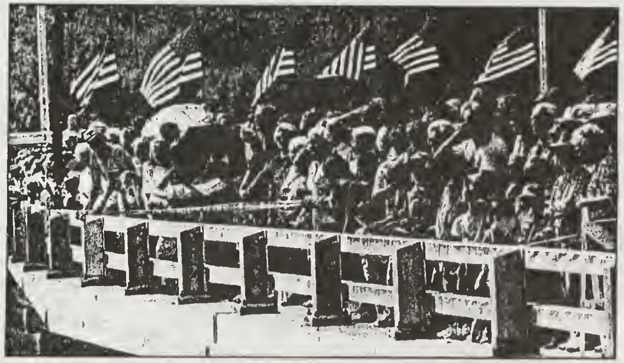


Bill Pyle (left) and Rhonda Taylor say the existing Wabash River crossings — Main Street Bridge and the Harrison Bridge — could have been repaired for far less money than the $15.1 million spent on the new Indiana 25 bridges. They argue that $5 million would have fixed up the older bridges; the rest could have been used to help the homeless.

Photos by Frank Oliver/Journal and Courier

Mayor Jim Riehle's musical tie plays "I've Been Working on the Railroad."

Kyle Rockhold, a second-grader, tours the bridges with his classmates from Klondike Elementary School.



Residents gather Friday to see the ribbon cut to open the bridges.

"

East Side, West Side, all around the town,
Our cities now are united by this lovely river crown.
Now we'll cross the river with the greatest of ease;
We'll fly from East Side to West and back as smoothly as we please.

"

Song adapted by Dick Jaegar
former choral director at Jefferson High School.

Bridges –

Continued from Page A1

Another protester, Bill Pyle, 20, said he had read that one-third of the bridge's $15 million budget would have repaired the Main Street Bridge and the Harrison Bridge. The other $10 million could have been spent on the homeless, he said, or to help downtown businesses.

Myers, R-Covington, had words for critics of the bridges and of railroad relocation, especially those critics who call relocation a pork-barrel project.

"Remember that when you drive across this bridge, it's a pork barrel that's bringing your tax dollars — built by your tax dollars — home to you," Myers said. "If it's a pork-barrel project, then I'm proud to be a part of it."

Two former railroad relocation project managers were among the spectators. Ken Knevel came up from New Orleans, and Kent Schuette, the project's first director, also joined the crowd.

Doug Cooper and Rich Diombala, owners of Sgt. Prestons of the North, hosted a Bridge Opening Bash, starting at 4 p.m.

They also printed 225 T-shirts with a slogan that sums up their thoughts on the new bridges — as owners of the tavern lodged at the foot of the eastbound one:

"Sgt. Prestons — No longer the long way home."

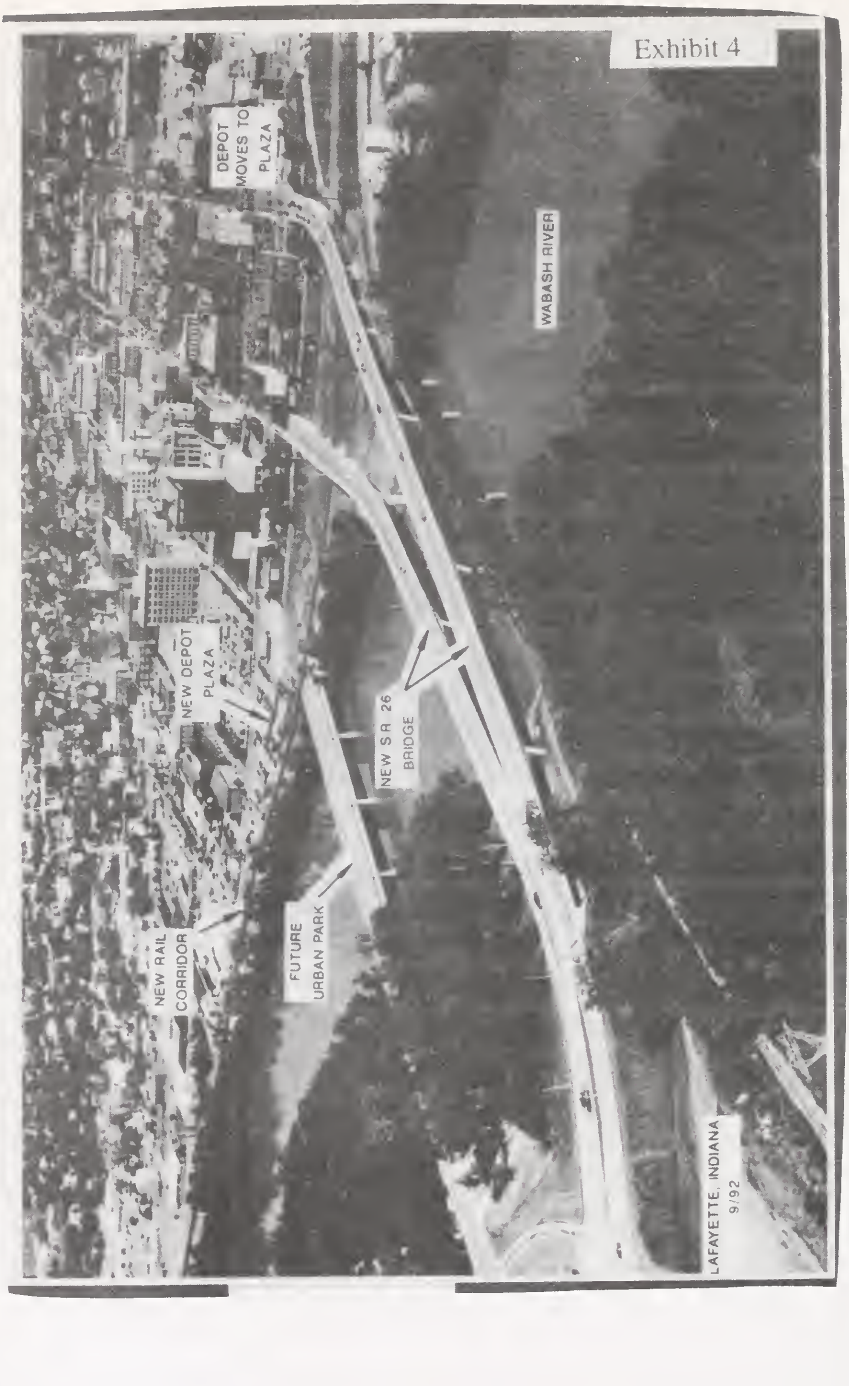


Exhibit 4

DEPOT MOVES TO PLAZA
WABASH RIVER
NEW DEPOT PLAZA
NEW S R 26 BRIDGE
FUTURE URBAN PARK
NEW RAIL CORRIDOR
LAFAYETTE, INDIANA 9/92

Exhibit 5

THE LAFAYETTE LEADER

LOCAL

October 1, 1992

Track's open over Ninth Street

The train tracks that run along Canal Road have been serving the community since the 1850s.

Last week, those old rails were retired, and now trains are running on new tracks constructed as part of the Ninth Street Underpass segment of the Lafayette Railroad Relocation project.

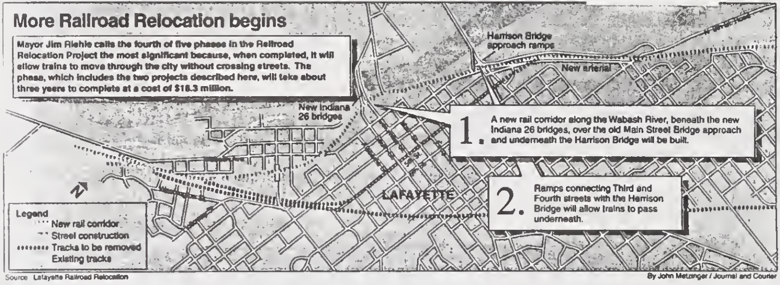
The next step for Walsh Construction Company of Illinois, the prime contractor for this segment of railroad relocation, is to remove the old rail lines and complete the excavation for the Ninth Street vehicle underpass. Ninth Street is expected to open to traffic next spring.

Mary Jo Carey/Lafayette Leader

The AMTRAK "Cardinal" became the first regularly scheduled train to officially to use the new CSX railroad bridge. Ninth Street will pass under the tracks.

Journal & Courier
8-15-92

Exhibit 6



More Railroad Relocation begins

Mayor Jim Riehle calls the fourth of five phases in the Railroad Relocation Project the most significant because, when completed, it will allow trains to move through the city without crossing streets. The phase, which includes the two projects described here, will take about three years to complete at a cost of $18.3 million.

1. A new rail corridor along the Wabash River, beneath the new Indiana 26 bridges, over the old Main Street Bridge approach and underneath the Harrison Bridge will be built.

2. Ramps connecting Third and Fourth streets with the Harrison Bridge will allow trains to pass underneath.

Source Lafayette Railroad Relocation

By John Metzinger / Journal and Courier

No one mourns 5th Street tracks

By **JOHN NORBERG**
Journal and Courier

Federal, state, county, city and CSX railroad officials joined with Lafayette-area residents at the foot of the Harrison Bridge on Friday for the groundbreaking for the fourth stage of the Railroad Relocation Project.

When it is completed, the CSX Railroad will be gone from Fifth Street for the first time since the 1840s.

Forty guests sat on a flatbed railroad car pulled by a yellow, gray and blue CSX engine with a caboose behind. Patriotic bunting draped the flatbed, and several hundred people applauded and blew wooden whistles.

Young and old were on hand:

- "This is really nice," said Benjie LaGuire, 14, of 601 Madison St. "We won't have traffic stopped by trains."
- "I just love this, it's wonderful," said Opal Bingham, 75, of 102 Cambridge Estates. "My sister and I were born and practically raised along the railroad tracks. A lot of people have been stopped by these trains. You know, our bosses practically didn't want to take us" because of railroad delays on the way to work.

A. Crane Jones Jr., a retired vice president with CSX, said trains passing through Lafayette cross traffic at 42 locations and run along 14 blocks of Fifth Street.

"It took an awful lot of patience with our railroads to put up with this for so many years," he said.

He said the Lafayette community was different than others with similar problems.

"You didn't just talk about it, you set about doing something about it," he said. "Mayor (Jim) Riehle has been a tremendous leader and guider."

Among those joining Jones and Riehle at the ceremonies were Rep. John Myers, R-Ind., and Sen. Dan Coats, R-Ind.

Coats credited Myers' work on the project at the federal level.

"This project wouldn't have succeeded without John shepherding this through Congress," Coats said.

Some of those at the ceremony Friday have followed the project for more than 20 years, such as Richard Crisafulli of the Federal Railroad Administration in Washington, D.C.

Crisafulli said Lafayette was one of 18 cities named demonstration railroad relocation projects. Some of the smaller ones are finished, he said. Others are not as far along as Lafayette.

"Other cities have not had the momentum and succeeded as Lafayette has," he said. "It's a combination here of a very competent city administration, support from the public and support from people in Congress."

Safety will win out when all the work is done, Riehle said.

"There are accidents, serious injuries and sometimes death at these crossings every year," he said. "The ultimate purpose of the project is safety."

By Tom Campbell/Journal and Courier

CSX railroad engineer Dave Randolph may have had the best seat for Friday's relocation ceremony, held on the Fifth Street tracks between Salem and Union streets.

Groundbreaking will live in the history books

By **BOB KRIEBEL**
Journal and Courier

Historic moments in Lafayette railroading are rare. But Friday's groundbreaking for the next part of the city's vast Railroad Relocation Project was one of 'em.

Put it in the books!

The railroads came to Lafayette by wagonloads and steamboatloads and canalboatloads beginning in 1849, and with the sweat of laboring men with shovels and picks and axes, and grunting teams of horses.

The men and the horses and their primitive implements, with a minimum of steam-powered machinery, graded the routes and sawed and laid the crossties and built and timbered trestles and spiked in the rails and fit the wheels of newly arrived cars and engines to them.

Most of the original rails came from foundries in Wales, reaching Lafayette by Atlantic freighter, the Erie and the Wabash & Erie canals. The rolling stock came mostly from eastern U.S. factories, arriving by steamboat and canal boat. The crossties were cut from forests along the route, with preference given the harder oak and ash logs.

One of the great ironies in local transportation history is that the slow-paced, mule-plodding Wabash & Erie Canal brought to Lafayette the rails and machines that killed it as an important transportation vehicle. Trains were far faster, even at their inaugural 20-mile-an-hour gait, than the sleepwalking canal boats.

The railroad from Lafayette to Indianapolis opened in December 1852. The tracks to Crawfordsville opened in February 1853.

Shortly these lines were extended north and northwest to Michigan City, Lake Michigan and Chicago. Later in the 1850s, rail lines leading northeast to Detroit and southwest to St. Louis opened.

Ever since, these railroads, under a variety of changing company names — New York Central, CI&L, Monon, Wabash, Norfolk & Western, and many more — have served Greater Lafayette's freight and passenger needs exactly where they were fixed in the ground in the "olden days."

Phase 4 of Railroad Relocation, will, in due time, change all that.

All the old tracks, familiar to generations of local residents, will be grouped along a new route just east of the Wabash River, separated from motor vehicle traffic entirely.

That will be another historic day.

Journal & Courier 12-3-92

The price of progress

Railroad relocation displaces dozens of Lafayette families

By JOHN NORBERG
Journal and Courier

For more than 20 years Sharon Brummett has put up Christmas decorations in her home on Moore Street.

- Timetable for railroad relocation/**A12**

She and her husband, Wilbur, have raised three children here. Each member of the family has special decorations they put on the tree.

There's some sadness in her voice when Brummett says this might be her last Christmas on Moore Street.

Her one-story, shingle-sided house is going to be purchased by the city in the final phase of Lafayette's railroad relocation project. She'll have to move. Railroad relocation is relocating her.

See PROGRESS, Page A12

By Darcy Chang/Journal and Courier

Wilbur and Sharon Brummett will be leaving a lot of memories when they move from the home they've lived in for the past 20 years, but they are taking with them the board that has been a growth chart for their children and grandchildren. With the Brummetts is their granddaughter, Danyelle, 3.

J;C 12-3-1992

Progress

Continued from Page A1

But there's relief in her voice, too. Because as sorry as she'll be to move, Brummett is happy that after 20 years of wondering when this will happen, the time is finally at hand.

At Lafayette's far north end, in a small triangle of land bounded by Moore, Levering and McDoel streets, is a neighborhood of small, older one- and two-story houses. Many have been remodeled. Some have been resided.

Hard working people live in these houses. They know each other well. Many have lived here their whole lives.

Mayor Jim Riehle announced this week that the final phase of railroad relocation is under way, including the acquisition of 88 properties. About 50 to 60 of those are houses, and many of them are in this northern neighborhood.

The land is needed to get the Norfolk and Southern trains from the new riverfront corridor back to the railroad yards.

The people in this area have known this would happen if railroad relocation went to its final phase. But, since the possibility first came up about 20 years ago, they haven't known when or even if it might actually happen.

It's put them in a difficult position. Should they fix up their houses? If they do, will the city pay them for the improvements when the property is purchased?

They've wondered, if they try to sell their houses on the open market, will anyone be interested, considering all the uncertainty?

Riehle says these people have been patient. All the property is now scheduled to be purchased by the city during the next two years.

"We're going to get a letter out to these folks. They'll receive it shortly," Riehle says: "As we've progressed with railroad relocation, one of the important issues has been where we'll put the line through this neighborhood. The people of this neighborhood made the decision themselves through a series of public meetings. Their input made this a better plan."

Brummett, of 2134 Moore St. says her house has been in her husband's family for years.

"Moving is kind of scary," she says. "We started out our married life here in this house. This home has great sentimental value. But everything is going to be all right."

She says the past several years of uncertainty have been the worst.

"It's been driving us up the wall," she says. "Our house needs siding. But if we side the house we'll never get the money out of it that we invest."

Brummett supports the railroad relocation project, which will makes streets safer by eliminating rail crossings and traffic backups. But she's sorry more money isn't spent on programs for the homeless and hungry.

Leonard Carter, 73, of 2834 Levering, says he'll lose his house to the project. He's lived in this area all his life and in his house more than 20 years.

"I think this railroad relocation project is a damn good thing," Carter says. "I was a switchman on the railroad and I know how we tie up the town.

"I got a ticket once for tying up the town. As long as the city finds me a house that's as good as the one I've got, that's all I want."

Mary Derment, 71, of 2129 Moore St., isn't sure if her home will be purchased by the city.

Her husband, who died four years ago, built the house.

"I'll do what they want, if they want this home, it's OK with me," she said. "But I'd really like to keep the place. I'm anxious to find out what will happen."

Brummett is more sure what will happen to her. Relocated trains will run right through what now is her living room, she says.

"I've got a lot of memories, wonderful memories here," she says.

But she's ready now to make new memories in a new house in town.

After 20 years of debate, Phase 5 finally makes a stop in Lafayette

Railroad relocation has been a subject of continuous debate and study since the late 1960s and a priority of the entire administration of Mayor Jim Riehle, who took office almost 21 years ago.

Solberg

That's why it was significant this week when Riehle opened the final chapter on a project that's occupied the attention of the community for generations.

Twenty years ago, many people thought this day would never happen.

Phase 5, the final step of railroad relocation, involves moving the Norfolk and Southern Railroad off the line it presently occupies, running diagonally through the city.

Railroad Relocation Project Manager Liz Solberg says relocating the Norfolk and Southern will give the city its final, biggest benefit.

"The Norfolk and Southern is the major freight hauler in the city," she says. "When it's relocated, the major benefit of the project will be felt. It's really exciting to see this end and the community should be very proud of what it's accomplished. The reason this has happened is because of community leader and grass roots support."

To date, cost of the project is $90 million, but more federal funding will be needed to carry it through to completion.

Solberg says the most optimistic and earliest completion date for the final phase is 1998 or 1999.

— John Norberg/
Journal and Courier

Mr. CARR. We thank you very much.

Do you have some additional testimony before I ask questions?

Ms. SOLBERG. We might just call to your attention the brochure you have in front of you that shows the five independently usable segments the project has been divided into. It is the fifth and final segment shown in the bold that is the focus of the request. There are some visual images on the back, some photographs to help you see what is happening in our community. You see the train the mayor referred literally going down 14 blocks of a major arterial in the center of our city.

Then in the lower picture on the right you can see the dilemma we have in terms of being stopped at two different locations. Notice the train in the foreground that is the subject of the fifth and final segment, and if you look way in the background you will see other cars blocked by the second major line that goes through the community.

So you get a little feeling for the physical challenge that we are remedying, with the help of the subcommittee.

Mr. CARR. I thank you.

First, I want to congratulate you on an excellent graphic. A lot of what we do in this Committee deals with geography. When we hear testimony from witnesses, it is sometimes hard to visualize what is actually going on, but this makes it very easy. I congratulate your graphic artist and your planning and engineering people that put this together. It says a lot.

I also notice here that you have a number of intersections where the train tracks appear to run diagonally across the intersection, meaning that it blocks traffic in both directions. This would appear to pose a fairly complex traffic management problem.

Mayor RIEHLE. It does indeed. All the fire stations in Lafayette have been sited with railroads in mind. We have stations on both sides of the track so in the event all the crossings are blocked by the two railroads, we can still get a fire vehicle or an emergency vehicle to the scene. And that happens quite frequently.

We benefit from the fact that we have two successful railroads operating in our community. We also have Amtrak which serves our community. But still, there are times when both the Norfolk Southern and the CSX trains block all the intersections in our community, so the city planners of the past have taken that into consideration in locating the firehouses.

Mr. MYERS. Amtrak goes right down the middle of one of the streets.

Mr. CARR. I see that it appears to do that. That is an intimidating photograph there on the back.

Mayor RIEHLE. West Lafayette is the home of Purdue University, and 9 months out of the year we have around 35,000 students in our community in both Lafayette and West Lafayette that we are pleased to have. However, with the increase of the vehicular traffic on our roads and streets, the conflict between the automobile and the train is more severe.

Ms. SOLBERG. We might call your attention to Exhibit No. 4 in the testimony. It is the one that is in color and it does give you a photographic representation of what is currently going on with the dollars you have made available in the past.

You will see a new S.R. 26 bridge that is the most recent segment completed. We celebrated last May the opening of that bridge. In red, you can see where the new rail corridor is being established through the center of the city conflict-free. That work is underway now and in segment 5, as funding comes through, we will add two additional tracks to that corridor to complete the relocation process.

We do note that our five independently usable segments are that, but the major cost benefits that we have been working on all these years does kick in with the completion of the project, 24 of the total 42 grade crossings are eliminated with the fifth and final segment. So that is the culminating effort to relocate the Norfolk Southern line, which is the heavy freight carrier through our community.

Mr. CARR. How many train movements are there a day?

Ms. SOLBERG. It varies seasonally—25, 30, 40—in that range. These are very long trains in excess of 100 cars. We have seen a great increase in the length of the trains.

Mayor RIEHLE. There are some regularly scheduled trains, and of course there is the switching movement that goes on all the time.

Mr. CARR. Thank you very much. We appreciate your testimony.

Mr. MYERS. Mr. Chairman, I would like for the Lafayette group to stand up and be recognized.

They paid their own way down here, so at least we can recognize them.

Mr. CARR. I am glad to have you all here, and I bet you're glad to have John Myers on the Appropriations Committee.

Mayor RIEHLE. Yes, indeed. We have good support both from the railroads and the State of Indiana, who have participated in the project along with the Federal Government. We appreciate Congressman Myers very much and your consideration.

Mr. CARR. Thank you very much.

[Responses to Hon. Wolf's, questions follow:]

LAFAYETTE
RAILROAD
RELOCATION

Big Four Depot
10 South 2nd Street
Lafayette, Indiana
47901-1216
317-742-8438

May 5, 1993

To: The Honorable John Myers

From: City of Lafayette, Indiana

Re: Responses to Written Questions Received at
Public Hearings of the Subcommittee on Transportation
Committee on Appropriations, U. S. House of Representatives

1. *What organization would be the recipient of the federal funds requested?*
   City of Lafayette, Indiana

2. *How much money are you requesting from this subcommittee for FY 1994?* $11.3 million

3. *What will these funds be used for?*
   Lafayette Railroad Relocation Project - Fifth (and final) Segment (Fifth Street Reconstruction, Embankment Construction, Bridges over Wabash Avenue)

4. *Are you requesting any funds for non-construction purposes?* No

5. *What impact does this project have on our national transportation network, or any other federal purpose, which would justify the request for funds from this subcommittee?*
   Lafayette Railroad Relocation Segment #5 will eliminate 24 at-grade rail crossings (bringing the overall total to 42) which impact U. S. 231, State Road 26, two main lines of the Norfolk Southern Corporation, and the entire central city vehicular street network (see testimony and enclosed project brochure).

6. *For FY 1993, what is the total amount of federal funds that this organization received, and what activities were funded?*
   Railroad Relocation received $5,873,200 in FY '93 which was used for Segment #4-Depot Plaza and Segment #5 Engineering and Right-of-Way.

7. *Has the project received federal funds in prior years? In what fiscal years were those funds received and in what amounts?*
   Segment #5 of the Lafayette Railroad Relocation Project received $1,884,020 in FY '92.

8. *Will you be seeking additional funds from this subcommittee for this project in the future?*
   Yes, $26 million to finish the project

9. *What is the total expected cost of the project?* $74 million
   What percentage of total cost of this project would be funded by the federal government?
   82% is the estimate; depends on final mix of funds

10. *How much state, local, or private funds will be used for this project?*
    $13.3 million of local and state are expected to be used in this project.

11. *Are you seeking funds this year from any other federal source, or any other appropriations subcommittee for this project, or for any other project?* No

12. *If the project is a highway project, where does it rank on the state's priority list?*
Not a highway project. As a measure of state support, it should be noted that nine state grants, from two different administrations of different political parties, have been received by the City of Lafayette for the Railroad Relocation Project.

13. *If the project is a transit project, does the general public in your area support the project?*
Not a transit project. Level of public support is very high as evidenced by large positive turnout at public hearings conducted by the Indiana Department of Transportation (literally no opposition expressed) and enthusiatic public participation at numerous project input meetings and events.

14. *Have there been any public financing mechanisms initiated at the state and/or local level to help fund this project, such as a dedicated gas tax increase or a bond referendum? If so, please provide the specifics, and, in the case of any proposed bonding authority, please indicate the results of placing this project before the public.*
Lafayette Mayor Jim Riehle, as a two term President of the Indiana Association of Cities and Towns, was a primary force in securing Indiana General Assembly passage of the enabling legislation for significant local government funding mechanisms: first, the County Option Income Tax; and then in 1988, the Economic Development Income Tax (EDIT). Mayor Riehle also successfully lead the efforts to have each of these measures enacted locally.

The Lafayette City Council unanimously ratified the City's EDIT Capital Improvement Plan in 1989 which listed the Lafayette Railroad Relocation Project as its only component. In October, 1992, a new Council unanimously reaffirmed that completion of Railroad Relocation was the sole goal of the City's EDIT Capital Improvement Plan. The City Council has also unanimously passed a "declaration of intent" to reimburse with bond proceeds the non-federal share of Railroad Relocation.

WEDNESDAY, MARCH 24, 1993.

DALLAS/FORT WORTH METROPOLITAN AREA: DALLAS/FORT WORTH METROPLEX PLAN RAILTRAN COMMUTER RAIL SERVICE

WITNESSES

HON. PETE GEREN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

HON. JOHN BRYANT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

HON. MARTIN FROST, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

HON. EDDIE BERNICE JOHNSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

VERNELL STURNS, EXECUTIVE DIRECTOR, DALLAS/FORT WORTH AIRPORT, TEXAS

WILLIAM GARRISON, CHAIRMAN, RAILTRAN'S POLICY BOARD, DALLAS/FORT WORTH, TEXAS

LISA PYLES, MANAGER, RAILTRAN, DALLAS/FORT WORTH, TEXAS

Mr. CARR. Our next witnesses are Congressman Martin Frost and Congresswoman Eddie Bernice Johnson, who are logging their second day in a row. We are glad to have you back. We're going to make you ex officio members of this committee. [Laughter.]

I want also to welcome Congressman John Bryant, who was here in spirit yesterday. Your support was duly noted. We're glad to have you here today.

Martin Frost is the dean of the delegation.

Mr. FROST. The others will have something to say. We will all be brief.

Mr. CARR. I will call upon you for the introduction.

Mr. FROST. Mr. Chairman, we actually are going to be doing two projects back-to-back.

Thank you for allowing us to appear before your committee today. As you have mentioned, with me are my colleagues from the Dallas/Fort Worth area Congressman John Bryant and Congresswoman Eddie Bernice Johnson.

Our purpose here today is to introduce and offer our support to Mr. Vernell Sturns, executive director of the Dallas/Fort Worth International Airport. We are asking your approval of the full FAA budget request to continue work on a project vital both to our area and to our entire national air transportation network, the metroplex air traffic system plan.

Members of this committee are no strangers to the metroplex plan. It is an FAA project to modernize and improve the flow of air traffic in and out of the Dallas/Fort Worth area, the second largest hub in our national air space system. It will pay for itself many times over by cutting down traffic delays.

Since work began on the metroplex plan in 1989, this committee has appropriated a total of $132 million to carry it forward. Today your investment is showing tangible results and we ask your continued support. We urge your approval of the full $13.3 million being requested in the FAA budget to continue this project in fiscal year 1994.

With us today—and I know my colleagues will want to say something briefly also—are Vernell Sturns, executive director of the airport, the deputy director seated on the first row, the new chairman of the DFW Airport board, and a board member.

At this point, I would like to turn it over to my colleagues, John Bryant and Eddie Bernice Johnson.

Mr. Bryant. Mr. Chairman, thank you very much for once again allowing us to appear.

Last year, the committee appropriated $43 million for this investment in our aviation infrastructure. It is showing results already. Many of the navigation facilities are almost complete and work is underway on the terminal in our control facility.

While waiting for this to be finished, the air traffic controllers are doing their best, but they are doing it with systems that were designed back in the 1960s. I just submit to the committee that that kind of technology is not adequate for the 21st century. This year the FAA is asking for $13.3 million to continue work on the metroplex project, which will be used for things like equipment and support facilities for the expanded TRACAN, Mode S radar, en route communication links, and wind shear advisory sensors.

I just submit to you that this is a worthwhile request. I think it is beneficial not just to our area, but to the whole country in view of the enormous amount of traffic that goes through the Dallas/Fort Worth area from coast to coast. We are grateful that you are considering our request.

Mr. Carr. Thank you.

Ms. Johnson.

Ms. Johnson. Thank you, Mr. Chairman and members of the committee, and persons who have travelled here from our districts.

It is a privilege to be here before you representing the 30th district of Texas, which is new, and a large portion of this airport is within the 30th district, the Dallas County portion.

Two weeks ago, your committee held a hearing on the state of the airline industry. One of your witnesses was Mr. Michael J. Durham, the chief financial officer of American Airlines, a hometown institution of which I am very proud.

In his prepared testimony, Mr. Durham blamed the plight of the U.S. airlines today on several things—protection of bankrupt carriers, excessive use fees and taxes, unnecessary regulations, unfair international competition, and the problem that I would like to address this morning, which is inadequate infrastructure.

By seeking your help on the metroplex plan, we are hoping to address the problem of inadequate infrastructure. As other witnesses have pointed out, the air traffic control system in the Dallas/Fort Worth area today dates back to the 1960s. How many of us drove here today in 30-year-old vehicles? That is the comparison we must make.

Yet our transportation system, in some cases, is being denied the efficiency, reliability, and convenience that advanced technology allows us. That is simply because we don't have the money and we're trying to get it here.

Mr. Chairman, in your support of the metroplex plan in previous years, we have demonstrated that you believe this project is a worthwhile investment in our national transportation infrastructure. We are grateful for your help and hope that you will continue to assist us. We would like to get your help to put this system in place.

Thank you very much.

Mr. CARR. Thank you.

I note the arrival of our good friend and colleague, Congressman Pete Geren from Fort Worth.

Mr. GEREN. Thank you, Mr. Chairman. Thank you for allowing us to appear before you today to talk about this very important issue not just for our area but for the national transportation system.

When those of us in Congress are called upon to render judgment on a project as technical and complex as the metroplex plan, it is reassuring to have some authoritative guidance. For each of the past few years, the FAA has requested—and your committee has granted it—incremental funding for the metroplex plan. The FAA and its engineers and technicians believe that the metroplex plan is a worthwhile investment. The committee support demonstrates that over the last couple of years.

As more and more airliners hub out of DFW, there is danger that our area could become a choke point, triggering costly delays throughout much of our air transportation system. It is something that we cannot allow to happen.

The question therefore becomes, How do we address this issue? We feel that the metroplex plan is part of the answer to that threat. We can look at what the experts have said both inside and outside of the FAA. I have with me a study which the Mitre Corporation conducted for the FAA on the metroplex plan and its effects.

The report is perfect bedtime reading for long nights in Washington, D.C. and it is quite technical in nature, but I think it makes the case quite strongly for the metroplex plan.

The report illustrates that in two variations of IFR weather, the metroplex plan, once fully implemented, will reduce delays in the national air transportation system by 15 percent under one type of IFR condition and 16 percent under the other. This is a serious reduction in delays and will save money throughout our national and international transportation system.

We respectfully request that we be allowed to submit a copy of this report for the record and urge your approval of the full level of funding requested by the FAA for the metroplex plan in fiscal year 1994.

Mr. Chairman and members of the committee, thank you for this opportunity to appear before you today.

[The prepared statement of Hon. Frost, Hon. Bryant, Hon. Geren and Hon. Johnson of Texas follows:]

STATEMENT TO THE
SUBCOMMITTEE ON TRANSPORTATION APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES

ON

THE DALLAS/FORT WORTH METROPLEX PLAN

BY

THE HONORABLE MARTIN FROST

THE HONORABLE JOHN BRYANT

THE HONORABLE PETE GEREN

THE HONORABLE EDDIE BERNICE JOHNSON

MARCH 24, 1993

This statement reflects the unanimous view of we four members of the House who represent the Dallas-Fort Worth area.

Let us begin by thanking each member of this subcommittee for the support you have given the D/FW Metroplex Air System Plan in previous years. The Metroplex Plan is the ongoing Federal Aviation Administration (FAA) project to modernize and improve the handling of air traffic in the congested skies over the Dallas-Fort Worth area.

The Metroplex Plan is not just another parochial, hometown project however. Today, our airport, Dallas/Fort Worth International, is the second busiest airport in the world. With 2,000 flights a day, D/FW is a critical link in our national hub-and-spoke air traffic system. By increasing the smooth, safe, and orderly flow of this traffic in and out of the Dallas-Fort Worth area, the Metroplex Plan will have significant benefits to our entire national air transportation system.

Mr. Chairman, we are very aware that you and other members of this committee believe that federal transportation dollars sometimes have been used unwisely. In some cases, federal tax dollars have been put into low-priority projects which have yielded little if any benefit to our national transportation system. As a result of this, other more deserving projects capable of making truly significant improvements in the safety, reliability and convenience of our national travel system have been shortchanged.

We wholeheartedly agree that tax dollars should go to projects which truly serve national interests, Mr. Chairman, especially in light of today's fiscal crisis. Never has it been more important for Congress and the President to choose wisely in the use of America's financial resources. As both the legislative and executive branches have recognized, the time has come to think not of federal spending, but of federal investment. It is therefore imperative that we allocate our scarce resources wisely and fund projects that give us a return on our investment. The Metroplex Plan gives us such a return and therefore, we urge you to continue your support for this long-term investment in America's transportation infrastructure.

Since work began in 1989, this committee has invested a total of $132 million in the Metroplex Plan, which the FAA handles through its Facilities and Equipment account. The Metroplex Plan was undertaken to meet a crucial need. The existing air traffic system in the Dallas-Fort Worth area was put into place nearly 30 years ago, long before airline deregulation and the hub-and-spoke system made D/FW a vital linchpin in America's network of airways.

Today, our 1960's-vintage control system is in danger of being overwhelmed by the increased air traffic (D/FW Airport is served by 17 airlines flying to a total of 200 cities both in the United States and abroad). Our skies are so crowded that FAA air traffic controllers sometimes have as many as 56 airplanes, in train 7 miles apart, strung out over 350 miles and four states, all queued up for entry into the Dallas/Fort Worth area. In addition to D/FW Airport, the FAA serves an astonishing total of 131 other airports in the Dallas-Fort Worth area. While many of these are small landing strips, there are a number of very busy satellite airports including Addison, Alliance, Redbird, Meacham, Love, Dallas Naval Air Station, and Carswell Air Force Base. All of these airports will benefit from the Metroplex Plan as well.

The money invested in the Metroplex Plan is already showing tangible results. Of the four new radar sites, one will be commissioned this July, a second will be capable of operating in August and a third in October. A site survey is also underway for the fourth radar site.

Of the two new off-side VORTAC navigation aids, construction on one will be completed in May of this year and final design work is underway on the other. Of the four relocated VORTAC "cornerposts" around the D/FW Terminal Control Area, construction is complete on all four and the electronics will be installed in two of the cornerposts this year.

Two new control towers can now be seen rising on both of the east and west sides of D/FW Airport. Both of these towers will be commissioned in 1994. These towers will provide an added margin of safety by offering improved lines of sight for controllers at the airport. Currently, there is a distance of six miles from the easternmost to the westernmost points on the runways and these new towers will greatly improve the management of traffic on the runways and taxiways of the airport.

The centerpiece of the Metroplex Plan is an expanded, modernized TRACON or Terminal Radar Control facility. With construction already underway and completion expected in November of 1994, this 60,000 square foot expansion will be equipped with state-of-the-art electronics and 35 controller work stations, an increase from the 16 stations that are currently housed in the existing overcrowded TRACON.

As work on the Metroplex Plan progresses, it becomes all the more critical that the FAA receive the full $13.3 million requested for FY 1994. This will ensure that the progress already made on the implementation of the Plan will continue to move ahead as scheduled. Included in this request is money for the installation of equipment as well as the building of support facilities for the expanded TRACON, purchasing of Mode S radar for the east site, en route communication links, improved radio equipment, wind shear advisory sensors, and one additional position at the Waco Approach Control for better coordination with Metroplex controllers.

Once completed, the Metroplex Plan promises an added margin of safety in our national air transportation system, along with enormous savings in time and money. Together with expanded ground facilities, it will enable D/FW to become the first airport in the world capable of handling four simultaneous instrument approaches.

By expediting the safe, efficient flow of air traffic in and out of the busy D/FW hub, the Metroplex Plan and related improvements will result in a 15% increase in our national airspace capacity, according to a study conducted by the MITRE Corporation for the FAA.

This exhaustive study, using the National Airspace System Performance Analysis Capability simulation model, demonstrates the impact of Metroplex Plan improvements on other important airports around the country. "In particular, those key airports that share a high volume of traffic will benefit from the reduction in delays and increase in throughput affected by the [Metroplex] Plan", the study says.

The MITRE analysis shows, for example, that on days when instrument conditions prevail for 17 hours, effective arrival delays will be reduced 40% at Atlanta, 6% for Chicago, 54% for Houston, 17% for Los Angeles, 38% for San Antonio, and 17% for San Francisco once the Metroplex Plan is fully operational.

With its vastly expanded arrival and departure routes and more efficient handling of traffic within the D/FW Terminal Control area, the 15% capacity increase that will be made possible by the Metroplex Plan and related improvements is a good business deal by any standard. For the period from 1995 to 2005, the FAA predicts that these projects, by preventing delays that would otherwise occur in the National Airspace System, will yield a cost savings of $7.5 billion.

Given this, we believe that the Metroplex Plan is a worthwhile investment in the future of America's air transportation system.

We thank the committee for its previous support of the Metroplex Plan and we urge approval of the full $13.3 million requested to continue work in Fiscal Year 1994.

Mr. Carr. Thank you. We do not have a copy of that study, and we would like to get it. We won't put it in the record, but we will keep it on file. I am sure it is quite lengthy.

Mr. Sturns, welcome again. It is nice to see you.

Mr. Sturns. Thank you, Mr. Chairman and members of this committee.

I appreciate the opportunity to tell you how critical the FAA's metroplex plan is to our daily flight operations at DFW Airport. The metroplex plan has sometimes been confused with our airport's own expansion program. The two will work together, but they are entirely separate. The metroplex plan will expedite the flow of air traffic not just at our airport, but at all 132 airports around Dallas and Fort Worth.

Moreover, the metroplex plan is not based on some hazy future needs. The metroplex plan is needed today as DFW handles about 2,000 flights a day. Our skies often get pretty busy. Today, FAA controllers sometimes have as many as 56 airplanes 7 miles apart, strung out 350 miles over four States, queued up to enter into Dallas/Fort Worth airspace. The metroplex plan would ease this congestion with dual approach routes, a large terminal control area, two new towers, and would double the number of TRACAN positions.

These metroplex plan improvements are separate from the design to complement the expansion of ground facilities planned for DFW Airport. As you know, the two new runways planned for our airport have been delayed by a legal challenge over zoning rights. But the Texas Legislature is helping us and we hope to resolve our zoning problem very soon.

About 142,000 travellers pass through DFW Airport each day. About seven out of ten are connecting passengers, just passing through our airport on their way to some other destination. At DFW, we try to make them feel welcome and get them on their way as soon as possible.

Even so, I know how a dentist must feel. Most of these people didn't want to come and see me in the first place, and then once they get there, they want to leave as soon as possible. To help them do that, to help U.S. air travellers to where they are going, we need to improve and speed up air traffic through DFW.

I hope you will continue your support of the metroplex plan as you have done in the past.

Thank you very much.

Mr. Carr. Thank you. I want to assure you that I did read your statement and I know quite a bit about the metroplex plan. I want to particularly underscore the comment that you made that there has been in the minds of some a confusion between your airport development plan and the metroplex plan. They are in fact two distinct plans and should be considered separately.

I would also point out to my good friend Eddie Bernice Johnson that Mr. Durham did testify before us and gave us valuable testimony, as did the representatives of three other airlines. Their basic message to us was that investment in aviation programs such as facilities and equipment was probably going to improve airline operating efficiencies and lower their costs.

Their remarks were not so glowing on airport development when development plans were not coordinated with the commercial airlines and had the undesirable effect of running up airline costs. Some of those costs they are willing to bear because they understand that there are efficiencies on the ground as well as in the air. But they vigorously pointed out that some airports plan without regard to who has to pay the bill, and the bill ultimately gets passed on to the airlines. At a time when airlines are losing money, except one of them, they don't want the additional cost unless it really does have to do with operational efficiency or saving them costs elsewhere.

So this Committee I think is going to take a much closer look at the AIP program and try to dampen some of those undesirable influences of uncoordinated airport development.

We appreciate your testimony and we appreciate your being here.

Mr. Wolf, do you have any questions?

Mr. WOLF. I guess Mr. DeLay is first.

Mr. DELAY. I will be very brief and welcome my Texas colleagues to the committee, particularly those that serve on the authorizing committee that have been so supportive of this committee over the years. I look forward to working with you on this bill.

I just have one question. You mentioned that you were having problems with building your runways because of zoning. Who zones DFW?

Mr. STURNS. For the past 20 years, the airport board has taken care of its own zoning, but I believe in 1990 three cities around the airport passed zoning ordinances and asserted that they had the right to zone DFW airport. We challenged that in court and lost the first round. Now we are in the State Legislature with a bill to insert the word "zoning" in the Municipal Airports Act.

Mr. DELAY. Thank you.

Thank you, Mr. Chairman.

Mr. CARR. Mr. Durbin?

Mr. DURBIN. No, questions, Mr. Chairman.

Mr. CARR. Mr. Wolf?

Mr. WOLF. Thank you, Mr. Chairman.

I have one question.

How does Dick Armey, Sam Johnson, and Joe Barton feel about this?

Mr. STURNS. I believe they all support it.

Mr. WOLF. Were they asked to come here today to testify? And they all support what you're asking?

Mr. STURNS. As far as I know.

Mr. WOLF. I have no further questions.

Mr. GEREN. We would be glad to get a statement of support from them for the Committee. There is no controversy over this in the region.

Mr. STURNS. Mr. Chairman, I would like to respond to your comments about airline costs, projects, et cetera. We are certainly sensitive to the financial straits of the airlines. We just recently reduced our capital projects budget by $118 million. We are also undertaking an efficiency study that will assist us in reducing some of the O&M costs.

So we are aware of the difficult times they are having and we are trying to be as responsive as we can.

Mr. CARR. I am sure they appreciate it. We do. Typically the problem is not at the major hub airports, it is at the O&D airports throughout the country that tend to be building capacity that is based on speculation, dreams, and a few other things and it is costing the airlines a pretty penny. It costs the taxpayers some money, too.

Mr. CARR. We will now hear testimony on your second issue.

Mr. FROST. Mr. Chairman, we appreciate the opportunity to appear on this second item in support of the RAILTRAN commuter rail project and the intermodal transportation center.

I have a unique interest in this particular project, Mr. Chairman, in that I am the only Member of Congress to represent parts of both Dallas and Fort Worth. I have also divided my life between Dallas and Fort Worth and having spent my professional career in Dallas.

We are here today to introduce and offer our support to Mr. William Garrison, chairman of the RAILTRAN policy board. We are asking that you grant their request for funding for the commuter rail service and the intermodal transportation center.

The RAILTRAN commuter rail service would be provided on an already existing freight line which connects Dallas and Fort Worth. The plan for this service involves upgrading the already existing line, thereby saving millions of dollars, which would otherwise go towards right-of-way expenses and track construction.

This cost-effective plan is one that both the city of Dallas and the city of Fort Worth support because it will benefit both economies. In addition, it will help meet the transportation needs of the entire Dallas/Fort Worth community. All planning work for both the commuter rail service and the intermodal transportation center has been completed. The RAILTRAN policy committee is asking for $27 million for fiscal year 1994.

I appreciate the committee's time and consideration of these projects and would now like to yield to my colleagues.

Mr. GEREN. Thank you, Martin.

Mr. Chairman, thank you for giving us the opportunity to testify in front of you on a very important transportation issue.

I am pleased to appear today to briefly discuss RAILTRAN and how RAILTRAN will play an instrumental role in the transportation system in north Texas. The RAILTRAN commuter railroad will link the city of Fort Worth with the Dallas/Fort Worth International Airport and the city of Dallas. RAILTRAN is an efficient approach to improving the regional transportation system in the entire metroplex area.

The corridor linking Fort Worth with Dallas is one of the most congested traffic corridors in Texas. Daily traffic volumes in this corridor are currently 620,000 vehicles per day and they are expected to increase to 994,000 vehicles per day by the year 2010.

It is estimated that by the year 2000 there will be demand for more than 2,000 daily transit trips on the RAILTRAN line. The transportation and air quality issues involved in this matter are obvious.

The city of Fort Worth is progressing rapidly in converting the Texas and Pacific railroad terminal in downtown Fort Worth into a giant transit hub that will serve as the focal point for bus, high speed rail, and commuter train service. The city was successful in obtaining an authorization in the ISTEA of 1991 to innovate the T&P building and to upgrade the 34 miles of train tracks from Fort Worth to Dallas that will be used by the RAILTRAN commuter train services.

I would like to note that this rail right-of-way has been acquired by the two cities and is owned 100 percent by the authority that intends to put this plan in place.

The Fort Worth Intermodal Center is expected to be completed in 1996 and will be one of the Nation's first intermodal transportation centers providing access to several modes of transportation, all from one location.

Again, Mr. Chairman, thank you for allowing me to testify today. I believe the statement from Mr. William Garrison, chairman of the RAILTRAN board, will give interesting information on this successful venture between the cities of Fort Worth and Dallas.

I would like to invite the members of the subcommittee to the Dallas/Fort Worth area to see this exciting project. I think that not only will it be good for our area, but it is a very innovative plan that is trying to take the ideas behind the intermodal transportation bill of last year and make them a reality.

Thank you, Mr. Chairman.

Mr. CARR. Ms. Johnson?

Ms. JOHNSON. Thank you very much, Mr. Chairman.

Again, it is a pleasure for me to lend my support to my constituent, Mr. William Garrison, chairman of the RAILTRAN policy board and Ms. Lisa Pyles, the manager of RAILTRAN, as well as all the people who will benefit.

They have made a request before your subcommittee. I also want to mention that it is a great pleasure for me to work with this issue and on this issue with my colleagues, Mr. Geren and Mr. Frost.

Yesterday you heard testimony about the DART South Oak Cliff rail line. Today we are here to discuss the RAILTRAN, which when complete will link DART, the Dallas/Fort Worth International Airport, and the neighboring cities of Dallas, Irving, and Fort Worth.

I will be brief in my remarks so that I don't take up that much time, but I would like to bring to your attention two points. One major benefit of the project is that it will link the cities along the rail line with the Dallas/Fort Worth International Airport, the Nation's second largest and busiest. And because Dallas is leading the Nation in number of corporate expansions and relocations, the growing population's impact on the airport is increasing every day. The airport access roads are increasingly overburdened, and even when expanded to the maximum number of lanes possible will still be unmanageable.

RAILTRAN will sufficiently alleviate these conditions. Thanks to the inter-modality, citizens will have airport access to and from many points within the Dallas/Fort Worth metroplex. I feel very strongly that RAILTRAN will add significantly to the local and national economies. Specifically, RAILTRAN will reduce travel times for a host of travellers and businesspersons, contribute to air quality improvement, and encourage more economic growth in the area.

Mr. Chairman, I greatly appreciate the time you have spent working with my colleagues and me on all our issues the last 2 days and I am aware of the support you have shown for RAILTRAN in the past. I hope it will continue in the future.

I will now introduce Mr. Garrison.

[The prepared statement of Hon. Frost, Hon. Geren, and Hon. Johnson of Texas follows:]

Joint Statement by
Representative Martin Frost (D-TX)
Representative Pete Geren (D-TX)
Representative Eddie Bernice Johnson (D-TX)

In Support of
The RAILTRAN Commuter Rail Service
and
The Texas & Pacific Intermodal Transportation Center

Before the House Appropriations Subcommittee on Transportation

March 24, 1993

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Mr. Chairman, we appreciate the opportunity to appear before your subcommittee this morning to testify in support of the RAILTRAN commuter rail project and the Intermodal Transportation Center. With us from the Dallas-Fort Worth Area are Mr. William Garrison, chairman of the RAILTRAN Policy Board and Mr. Craig Holcomb, former Dallas City Council-member. They represent the broad support throughout the Dallas-Fort Worth Area for the RAILTRAN commuter rail project.

In 1984, RAILTRAN was created as a joint administrative agency of Fort Worth and Dallas to oversee the day to day management of the Corridor to ensure the two overarching goals of mass transit and freight service were maintained. RAILTRAN is a six member policy committee, three members appointed by both the Dallas and Fort Worth City Councils. The Committee is responsible for making policy, management and operations recommendations to the two City Councils regarding the 34 miles of RAILTRAN right-of-way.

The groundwork for this project was laid in the early 1980's when the Cities of Dallas and Fort Worth, with the assistance of the Federal Transit Administration and the State of Texas, purchased 34 miles of railroad right-of-way linking the central business districts of the two cities. Even though there were no immediate plans for the Corridor, those involved sensed its potential as a future commuter rail line. They also knew the immediate importance of the preservation of freight service for those businesses located along the line. At present, Union Pacific Railroad and the Burlington Northern Railroad use the line as a link in their national service and serve local customers along the line.

In 1989, the Dallas Area Rapid Transit (DART) began planning the use of the RAILTRAN Corridor for commuter rail service and in 1990, the Fort Worth Transportation Authority joined DART and began planning to extend service into downtown Fort Worth. Today, the Dallas/Fort Worth metroplex leads the nation in the number of corporate expansions and relocations. By the year 2000, Dallas County is expected to be the sixth fastest growing county in the United States in terms of jobs, and Tarrant County will rank 17th. The population of the metroplex in 1990 was 3, 918,095 and the projected population for the year 2000 is over 4 and 1/2 million.

Along with the population and job growth, increased airport traffic and operations will have a major impact on vehicular traffic in the area. Estimated aircraft takeoffs and landings for the year 2000 are projected to be 36,569,000. The proposed expansion of Dallas/Fort Worth International Airport is expected to attract new business and create jobs in the area.

This increase in employment will lead to increased traffic congestion and pollution on existing highways and streets in the area. The purpose of the RAILTRAN commuter rail project is to provide a viable and complementary means of transportation for commuters in the congested Dallas-Fort Worth metroplex. Year 2000 traffic projections indicate that a significant percentage of the region's freeway system will be severely congested. In addition, studies conducted by the North Central Texas Council of Governments (NCTCOG) have also shown that the present and proposed roadways in the area will become congested even after they are expanded to the maximum number of lanes possible under their current right-of-way.

Commuter rail service along the existing RAILTRAN Corridor, which parallels State Highway 183, will contribute significantly to increased area mobility by the year 2010. It will facilitate the conservation of energy, contribute to air quality improvements, reduce traffic congestion, reduce travel times, and encourage more economic activity in the area.

Since the purchase of the RAILTRAN Corridor, a great deal of work has been done in preparation for commuter rail service. Survey work and aerial photography have helped give a better picture of what was purchased from the Rock Island Line. An analysis of the thirty-four at-grade crossings along the line has been completed along with a priority for separation. All encroachments along the line have been catalogued and procedures begun for clearing those most necessary.

An environmental assessment has already been completed and reviewed by the FTA on Phase I service with a Finding of No Significant Impact. The environmental assessment for Phase II of the service has also been completed and is currently being reviewed by the FTA. In addition, the site selected for a maintenance facility has received a Categorical Exclusion by the FTA.

In 1991, an Implementation Study for RAILTRAN commuter service was funded by the Federal Transit Administration (FTA) and administered by North Central Texas Council of Governments (NCTCOG), the metropolitan planning organization. This study developed a service plan for the proposed project from Dallas' central business district to Fort Worth's central business district. It proposes implementing the RAILTRAN commuter service in phases. Phase I includes morning and afternoon peak period service between Dallas Union Station and Downtown Irving every twenty-five minutes. Phase II adds service to downtown Fort Worth at 50 minute intervals, with four intermediate stops serving the mid-cities. Later service phases include access to D/FW International Airport, the nation's second busiest airport. Once it is fully operational, the service will be completely bi-directional with on-and-off peak service every 25 minutes from end to end.

Stations will be well lit, safe, easy to use, and conveniently located along major street and highway intersections. The stations will be located so that the greatest concentration of residential and business traffic is served. Also, plans for most of the stations call for modest, economical facilities consisting of platforms, parking lots, and commuter drop-off areas. Some stations will provide local bus or light rail connections, and all stations will be fully accessible to disabled passengers.

Union Station is the starting point in downtown Dallas. This station will be served by light-rail and buses. This means that passengers from any part of Dallas Area Rapid Transit's (DART) service will have easy access to the RAILTRAN commuter service and all points westward to Fort Worth and to the airport as well.

To the west, RAILTRAN will service the cities of Irving, Grand Prairie, Arlington, Hurst, Richland Hills, and Haltom City on the way to Fort Worth. Once the system enters downtown Fort Worth, it will service both the north/central and the southern parts of downtown. The southern service center will be located in the historic Texas and Pacific (T&P) railway building. This building, along with the adjacent U.S. Post Office Complex will be renovated. The planned restoration of these two historic buildings in conjunction with the relocation of Interstate 30, which presently cuts both buildings off from downtown, will create an entirely new focus in that area and should facilitate a rebirth of inner-city development and renewal. The Texas and Pacific Building will become a true Intermodal Transportation Center housing commuter rail, city buses, inter-state trains and buses, local taxis, and excursion railroad, ticket desks for airlines, and possibly high-speed rail.

The Railtran commuter rail service and the T&P Intermodal Center together will open up whole new opportunities for both the those who drive and the transit dependent. It will lessen the dependence on the automobile, thereby helping to improve air quality and traffic congestion. In addition, the region will benefit from capital expenditures to build commuter rail stations and make line improvements. These investments will translate into real estate development and heightened commercial activity in downtown Dallas, downtown Fort Worth and the cities along the line. RAILTRAN does all this in a cost-effective manner, by using an already existing freight line and upgrading it for commuter purposes. It further strengthens the Dallas-Fort Worth Metroplex-- one of the fastest growing areas in the nation.

Mr. CARR. Welcome, Mr. Garrison.

Mr. GARRISON. Thank you. It is a privilege to be here and to present this project to you. On my right is Lisa Pyles, the manager of the RAILTRAN project. She is my brains in this matter. Craig Holcomb from Dallas was scheduled to be here, but at the last minute he was unable to come.

The RAILTRAN project is a 34-mile corridor with track that extends from downtown Dallas to downtown Fort Worth. It was acquired in 1984 with the vision of then majority leader Jim Wright and Congressman Frost and others involved in the opportunity to buy the corridor out of a railroad bankruptcy.

Since its acquisition, it has required no further Federal funds. The original Federal contribution was $27 million. The State of Texas and the two cities made up the local match for that acquisition.

The project has moved along without any further Federal assistance. It is currently used by two freight railroads and their rights preceded the acquisition by the two cities. We have been in long, tedious, and extensive negotiations with those two railroads and we are right on the threshold of arriving at a refined agreement with them that will make possible the continued use by the freight railroads and also facilitate and recognize the priority of passenger rail service on the line.

So we are here asking for $27 million as one-third of a projected $100 million cost to bring this service to completion.

Phase I will be service from downtown Dallas to south Irving. That will be done entirely with local funds by Dallas Area Rapid Transit. They have a $44.5 million allocation of local funds for that.

Phase II will be the extension of that service from south Irving on into Fort Worth. The original $27 million would be used for additional right-of-way acquisition, trackage and signal upgrades, and construction of a maintenance facility that will be located in Irving.

This is a project which was envisioned in 1984. It is ready for its fruition at this point in time. The required local match is in place and available. The unanimous political support is evident from the previous testimony. The advantages to the air quality problems of the area are obvious. This is a commuter rail project. It is not a light rail project, although it will interface in downtown Dallas with a proposed light rail project. This is a relatively speaking low-budget item. This construction will be for less than $4 million per mile.

We think the time has come for it to confirm the vision that was expressed in 1984 when the right-of-way was purchased.

Ms. Pyles and I would be glad to answer any questions you may have about the project.

[The prepared statement of Willian Garrison follows:]

TESTIMONY BY
WILLIAM N. GARRISON, CHAIRMAN
DFW RAILTRAN POLICY COMMITTEE
MARCH 24, 1993

The DFW RAILTRAN System is a 34 mile rail corridor linking the central business districts of Dallas and Fort Worth. The Corridor was purchased in 1984 with funds from the Urban Mass Transit Administration, the State of Texas, and the cities of Fort Worth and Dallas.

The RAILTRAN Policy Committee, is a six member committee made up of three members appointed by the City Councils of Dallas and Fort Worth. The Committee is responsible for making policy, management and operations recommendations to the two City Councils regarding the 34 miles of RAILTRAN right-of-way.

The purpose of the RAILTRAN commuter rail project is to provide a viable and complementary means of transportation for commuters in the congested Dallas Fort Worth metropolitan area. The necessity for commuter rail service is based on year 2000 traffic projections which indicate that a significant percentage of the region's freeway system will be severely congested. Studies conducted by the North Central Texas Council of Governments (NCTCOG) have also shown that the present and proposed roadways in the area will become congested even after they are expanded to the maximum number of lanes possible along their current right-of-way.

Population projections for the year 2010 are for 4,975,000 people in the Dallas-Fort Worth Consolidated Metropolitan Statistical Area (CMSA), including 1,316,000 people in the seven cities along the Phase II Corridor. Employment projections represent a 53 percent increase for the CMSA and a 70 percent increase in each central business district (CBD) from 1986 employment estimates.

The increase in the number of people in the area means that congestion will also increase. As congestion increases several results occur. First, productivity is lost when people must sit for extended periods of time their automobiles. This loss of productivity directly affects those who must wait as well as businesses which lose the use of their employees.

The increase in population leads to an increased number of automobiles on the road which leads to faster deterioration of the roadway, and therefore, increased maintenance costs.

Air quality also suffers from thousands of cars idling on congested roadways. According to the Texas Air Control Board, Region VIII, which includes the Dallas-Fort Worth Metroplex, is listed as a moderate non-attainment area for ozone. One of the intended benefits of commuter rail service is the reduced use of vehicles by transit patrons and a corresponding reduction in vehicular organic pollutants. This is hoped to result in an overall reduction of air pollution levels.

Service between the two CBDs will be provided in phases in order to hold down the initial costs of construction and to allow time for the demand for the service to grow. Phase I will begin in downtown Dallas in late 1994 and will run through the hospital district to South Irving every 25 minutes. Initially, the service will be provided in morning and afternoon rush hours only. Occasionally special trains may run as needed.

Phase II of service will continue from Irving to downtown Fort Worth. Four station stops are planned as the line runs through the cities of Grand Prairie, Arlington, Hurst, Richland Hills and Haltom City before it reaches Fort Worth where two stops are planned. Downtown Fort Worth's service will be provided via a modest platform stop serving North/Central downtown and then the terminus at the Texas and Pacific Intermodal Transportation Center.

Phase I operation from downtown Dallas to South Irving should attract approximately 3,200 daily riders at a capital cost of $44.5 million and $3 million in operating and administrative costs. Annual revenues from that phase are estimated to be $1.6 million.

Phase II, from Irving to Fort Worth should attract 5,700 daily riders with $76 million additional capital costs. Operation and administrative costs will be $9.5 million with $4.1 million revenue return.

Fully bi-directional, 25 minute service will add an additional $59 million in capital costs with $14.8 million additional operating and administrative costs and $7.8 million in revenues received from 10,500 daily riders.

The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) authorized a total of $19.1 million for the RAILTRAN project. This authorization was split between the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA). Section 1108. Priority Intermodal Projects authorized $13.4 million to the Fort Worth Intermodal Transportation Project to be constructed at the historic Texas and Pacific Building in downtown Fort Worth under the auspices of the Federal Highway Administration.

Section 3035 authorized, under the Federal Transit Administration, a total of $5,680,000 for the RAILTRAN project. This authorization was to be split into two allocations. The first allocation was authorized in FY 1992 in the amount of $2,480,000. This allocation has been appropriated and aa grant application has been filed by the Fort Worth Transportation Authority (FWTA) on behalf of RAILTRAN. The second allocation was for $3,200,000 in FY 1993. Unfortunately, this amount was dropped in the last appropriation bill.

Local commitment for this project is high. DART has included it in their service plan for a number of years. They have committed $40 million in local funds to start this service. Citizens in Irving have been vocal supporters of quick initiation of service to their area. Numerous Council actions from Irving have demonstrated their continuing commitment and desire for service.

North Texas Commission, an association of business and community leaders in the Metroplex, have formed a task force to help implement the service as quickly as possible.

The voters of Richland Hills approved the levy of a half cent sales tax to join the Fort Worth Transportation Authority so that they would be assured of service along the line.

Bell Helicopter has donated the use of a portion of their parking lot for a station site so that their employees can easily access the service.

Business leaders in both downtown Fort Worth and Dallas support the service as a way to bring more people into the downtown areas thereby preserving the economic growth and vitality of the areas.

RAILTRAN commuter rail service is vitally needed in this area. The federal government's commitment to this project has been demonstrated by the original purchase grant and authorization in the 1991 ISTEA legislation. Preliminary engineering will begin soon for Phase II. Phase I service is scheduled to begin in late 1994. In order to keep this project moving, we need your continued assistance. We need to have an earmark of $27 million in FY 1994 and an additional $54 million in

Fiscal Years 1995 and 1996. This will assist us in completing all the required engineering and beginning construction in FY 1994. The continual earmarks are needed so that construction of stations, rail trackage upgrades and passing sidings, and purchase of equipment can be completed in a timely manner. Our goal is to have service from Fort Worth to Dallas by late 1996.

Your support over the years of this worthwhile project has been vital and appreciated. Your continued support will mean the completion of this much needed service.

North Central Texas Council of Governments

RAILTRAN Corridor Commuter Rail
On Track to a Station Near You

RAILTRAN Corridor Commuter Rail Offers an Alternative to Freeway Congestion

By the year 2000, Dallas County is expected to be the sixth fastest growing county in the United States in terms of jobs, and Tarrant County is targeted to rank 17th. According to estimates, Dallas County is expected to gain 204,000 residents, and Tarrant County 175,000. As more people move to the Dallas-Fort Worth area, traffic congestion and pollution are going to increase. To plan for this prospective growth, the North Central Texas Council of Governments in 1991 commissioned a year-long study funded by the Federal Transit Administration (FTA) to develop recommendations for commuter rail service connecting Dallas and Fort Worth on the RAILTRAN corridor including the Mid-Cities and the Dallas/Fort Worth International Airport.

This report has been produced to let you know what is being proposed for the RAILTRAN corridor and to summarize the study's findings. These findings show a significant need for a commuter rail system that provides frequent peak-hour and midday service. The report also should answer most of your questions about the route, stations, fares, schedules, funding and costs.

RAILTRAN Beginnings

In the early 1980s, sensing that the Dallas-Fort Worth corridor had potential as a future commuter rail line, the Cities of Dallas and Fort Worth jointly purchased 34 miles of the former Chicago, Rock Island & Pacific Railway for $34 million. Through the purchase, RAILTRAN was created. The Federal Transit Administration of the United States Department of Transportation provided most of the money for this purchase with additional financial support provided by the Texas Department of Transportation and the Cities of Dallas and Fort Worth.

RAILTRAN consists of a six-member Policy Committee, three members each appointed by the Dallas and Fort Worth City Councils. The Committee is responsible for making policy, management and operations recommendations to the two City Councils regarding the 34 miles of RAILTRAN right-of-way.

Area transit systems, Dallas Area Rapid Transit (DART) and the Fort Worth Transportation Authority (the T), also have played important roles by developing comprehensive plans for public transportation using the RAILTRAN corridor. Dallas/Fort Worth International Airport is also planning for possible future rail passenger access.

The Corridor and Proposed Stations

Today, the Union Pacific and Burlington Northern railroads operate freight service in the RAILTRAN corridor. When commuter service begins, all train schedules will be coordinated to provide priority service for commuters. This is especially true since the rail bed consists of a single track. In accordance with the DART Service

Modern bi-level cars and attractive stations make commuter travel a pleasure.

Ticket vending machines and information panels will be available at each station.

Plan, commuter service would be introduced in phases, beginning with DART's morning and afternoon peak-period service between Dallas Union Station and South Irving, scheduled to start in 1994. Phased extensions of service will take commuter trains on to the Mid-Cities and Fort Worth, and eventually to Dallas/Fort Worth International Airport.

Later phases of RAILTRAN corridor commuter service will be two-directional and serve peak and off-peak riders in both downtown Dallas and Fort Worth, the Mid-Cities and at DFW International Airport.

Stations will be well lit, safe, easy to use, and conveniently located. Plans for most stations call for modest, economical facilities consisting of platforms, parking lots and commuter drop-off areas. Some locations will provide local bus or light rail connections, and all stations will be fully accessible to disabled passengers.

We Plan to Gear Our Schedule to Yours

In developing proposed train schedules, many factors were considered, such as ridership projections and track requirements — including initial siding locations to provide two-directional service. Issues such as double-tracking the single-track line entirely to allow commuter and freight trains to increase their frequencies and the amount of potentially available funding for the service were also considered.

The initial proposed schedule is designed to meet commuters' peak-hour needs, and as more track and trains are added, commuter rail will offer more choices and become even more convenient to use.

Your Ticket to Ride

Purchasing commuter rail tickets will be simple at automatic ticket vending machines to be installed at all stations. Riders will choose from a variety of regular, monthly pass, multiride and discount fares. Tickets will also be available by mail and at other locations. Commuter rail tickets will be valid for transferring to or from buses and light rail in Dallas and Fort Worth.

This service is planned to operate under the self-service system, where proof of payment is required. While on board, fare inspectors will check to see that passengers hold valid tickets or passes.

The Trains

Passengers will ride in modern, reliable and comfortable coaches, equipped with full climate control, air-conditioning and other amenities. All trains and stations will be accessible to passengers with disabilities.

Commuter trains will use self-propelled diesel cars or locomotives and commuter-type passenger (either single or bi-level) cars. The trains will be able to go in either direction in the "push-

Interior of modern air conditioned commuter car has comfortable seats and excellent visibility.

pull" mode used throughout the U.S. in commuter train operations. The locomotive pulls the train in one direction (for example from Fort Worth to Dallas) and pushes the train in the opposite direction (Dallas to Fort Worth). Riding on trains traveling between 60 and 70 miles per hour, passengers can expect a trip between the Dallas and Fort Worth Central Business Districts to take about 60 minutes.

Portable access ramp provides full accessibility for the disabled from adjacent mini-platform.

Commuter Rail at an Affordable Price

To permit fast, efficient service, while maintaining high standards, including increased comfort, capacity and reliability, the condition of the existing track must be improved. Funding availability will be a deciding factor in scheduling improvements, buying equipment or expanding service.

Money designated for capital costs will go toward buying the locomotives and coaches, installing and upgrading rails and bridges, installing signals and building storage and maintenance facilities. Local governments and nearby businesses may contribute to station development including passenger facilities and parking. Additional right-of-way costs are minimal, since the original purchase in 1983 included right-of-way for the entire corridor.

The modern diesel locomotive is cost-effective and state-of-the-art.

The Dollars and Cents of RAILTRAN Corridor Operation

The estimated annual operating cost for the commuter rail service covers employee salaries, equipment and facility maintenance, insurance, advertising, revenue collection and administrative expenses.

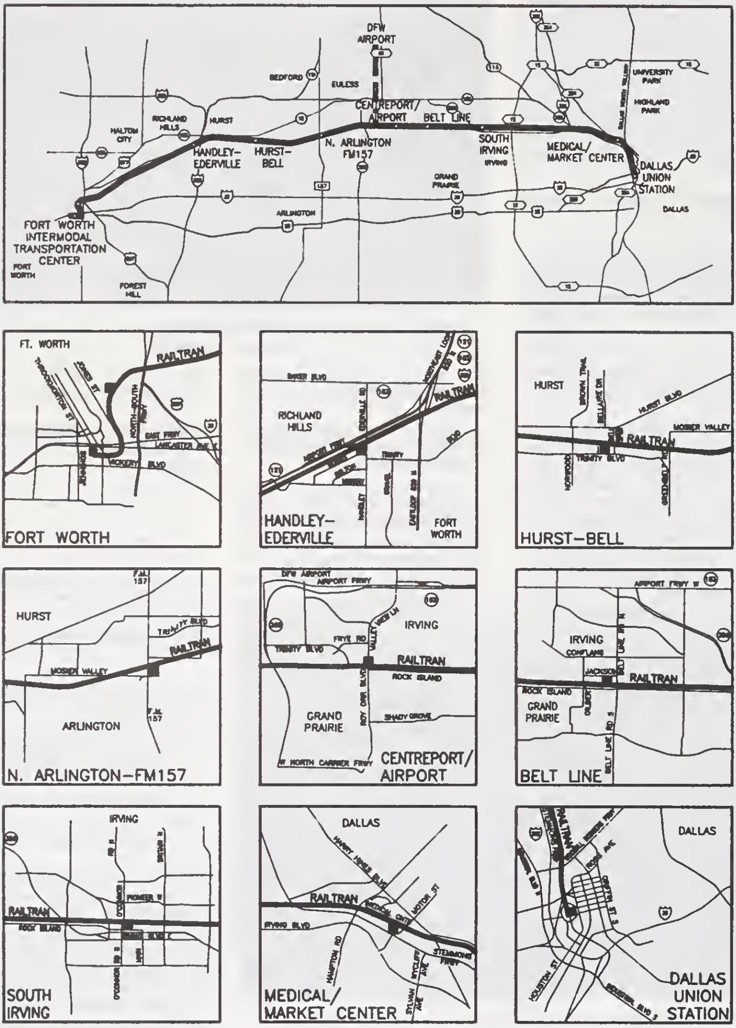
Financing Commuter Rail

Funds for start-up and operations will come from a combination of sources, including:

- Farebox revenue
- Local funds
- Sales taxes collected from DART and the "T"
- Federal Transit Administration
- Federal Highway Administration
- Other local, State and federal government programs
- Equipment lease transactions
- Private funding

Fees paid to RAILTRAN by the freight railroads and other lease holders using the right-of-way also will be a source of funding for commuter rail start-up and operations. The freight lines will continue to pay fees to use the corridor and will be a primary source of funding for maintaining the right-of-way after commuter service begins.

The RAILTRAN Commuter Rail Corridor



Commuter railroad single deck cab car allows train to run in either direction.

Amtrak and a tourist railroad have also expressed interest in using the right-of-way, which could generate additional income.

Commuter Rail Benefits the Region

The arrival of commuter rail will have many positive impacts on the area, from giving the economy a boost to improving air quality. As a result, the region will be a better place to live, work and play.

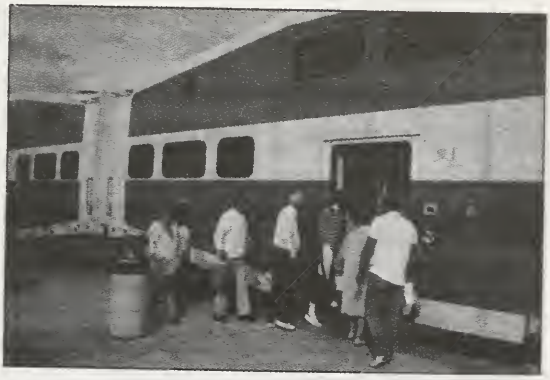
Commuter rail will provide many traffic-related benefits, too. For example, the RAILTRAN Corridor Commuter Rail Planning and Implementation Study found that commuter rail will:

- Eliminate 9,000 commuter vehicles per day from the highway system.
- Reduce vehicle miles of travel by 32,000,000 per year — that figure equals the travel of 2,000 cars in an average calendar year.
- Reduce fuel consumption by 1,500,000 gallons per year.
- Reduce air quality emissions:
  - carbon monoxide by 136 tons per year
  - hydrocarbons by 30 tons per year
  - nitrogen oxides by 38 tons per year
- Reduce congestion during S.H. 183 and I.H. 30 improvements.

Besides improving the air we breathe, commuter trains, and the region's growing transportation network will provide a variety of reliable and dependable commuting options, not to mention a monetary savings over driving. Add up the real cost of driving—insurance, gas, repairs, and the wear and tear on your car — and commuter rail makes sense.

On the economic front, the region will benefit as capital is expended to build commuter rail stations and make line improvements. Additionally, the system's first three construction phases are expected to attract investments totaling approximately $400 million throughout other sectors of the economy. For the corridor cities, these investments translate into real estate development, heightened commercial activity and enhancement of existing properties and businesses. As this development increases, so will property values, jobs and services, and the region's tax base.

RAILTRAN Corridor Commuter Rail — it's Dallas-Fort Worth's ticket to greater mobility.



Commuters enjoy an alternative to highway congestion.

Proposed Start-Up Phasing and Level of Service

PHASE 1 (1994)

- DALLAS-SOUTH IRVING
- Peak Period Service

PHASE 2 (1996)

- DALLAS-SOUTH IRVING-FORT WORTH 9TH STREET*
- Bus Connection to DFW Airport
- Peak Period and Limited Off-Peak Service
- Phase 2A has 50 Minute Headways; 2B-25 Minutes

PHASE 3 (Approximately 1996/1998)

- DALLAS-SOUTH IRVING-FORT WORTH
- Service Extended to Fort Worth Intermodal Center
- New Stop at Irving Belt Line Road
- Bus Connection to DFW Airport
- Additional Off-Peak and Weekend Service with Double Track Construction

PHASE 4 (To Be Determined)

- EXTENSION TO DALLAS/FORT WORTH INTERNATIONAL AIRPORT
- Possible Extension to Dallas Convention Center

Incremental Capital Costs (1992 $)

Phase 1	Phase 2A	Phase 2B	Phase 3
$44.5 Million	$76.0 Million	$45.0 Million	$59.0 Million

Total Annual Operating and Administrative Costs (1992 $)

Phase 1	Phase 2A	Phase 2B	Phase 3
$3.0 Million	$9.5 Million	$11.1 Million	$14.8 Million

* *Alternative locations to be refined*

RAILTRAN Corridor Commuter Rail Stations

1. **Fort Worth Intermodal Transportation Center** (Phases 3 & 4)
2. **Fort Worth 9th Street*** (Phases 2 through 4)
3. **Handley-Ederville** (Phases 2 through 4)
4. **Hurst-Bell** (Phases 2 through 4)
5. **N. Arlington-F.M. 157** (Phases 2 through 4)
6. **Centreport/Airport** (Phases 2 through 4)
7. **Belt Line** (Phases 3 & 4)
8. **South Irving Transit Center** (Phases 1 through 4)
9. **Medical/Market Center** (Phases 1 through 4)
10. **Dallas Union Station** (Phases 1 through 4)
11. **DFW International Airport** (Phase 4)
12. **Dallas Convention Center** (To be determined)

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December 1992

Mr. CARR. Thank you, Mr. Garrison.

Mr. DeLay?

Mr. DELAY. I have no questions.

Mr. CARR. Mr. Wolf?

Mr. WOLF. When it is finished, what will the Federal involvement be? This year you are asking for $27 million?

Mr. GARRISON. Through phase II would be a total of $81 million of Federal money.

Mr. WOLF. There was Federal involvement in the purchase of the right-of-way.

Mr. GARRISON. That's right.

Mr. WOLF. How much was that?

Mr. GARRISON. That was $27 million.

Mr. WOLF. And how much was the local?

Mr. GARRISON. That was 10 percent from the State of Texas and then 10 percent from the two cities.

Mr. WOLF. For the purchase of the right-of-way?

Mr. GARRISON. That's correct.

Mr. WOLF. That was in 1984?

Mr. GARRISON. That's right.

Mr. WOLF. And now you are coming in this year asking for what?

Mr. GARRISON. For $27 million as the first third of an anticipated $81 million to complete the service into Fort Worth.

Mr. WOLF. Of the $81 million Federal?

Mr. GARRISON. Yes.

Mr. WOLF. How much of that will be State and local?

Mr. GARRISON. Whatever the required local match would be, which is 20 percent.

Mr. WOLF. Has there been any thought of putting in any more than the 20 percent?

Ms. PYLES. We have the ability to overmatch.

Mr. WOLF. Has there been a voters referendum on this project or a bond issue or anything which would show that there is local support? You mentioned that there is strong local support. Has there been a referendum?

Mr. GARRISON. There has been no referendum.

Mr. WOLF. What is the basis of saying that there is strong support?

Mr. GARRISON. The previous testimony indicates the political support. All the communities along the line——

Mr. WOLF. There are no people opposed to it, basically?

Mr. GARRISON. That's correct.

Mr. WOLF. I have no further questions.

Thank you, Mr. Chairman.

Mr. CARR. Mr. Durbin?

Mr. DURBIN. No questions, Mr. Chairman.

Mr. CARR. Mr. Foglietta?

Mr. FOGLIETTA. No questions, Mr. Chairman.

Mr. CARR. I have a question of Mr. Geren.

If you can and if you remember, given that the Federal share is expected to be an 80/20 match, can you tell us why the authorizing committee only provided $19.1 million? Is there any rhyme or reason to that?

Mr. Geren. I can't remember. I need to go back and look. My memory on that is a little weak.

Mr. Carr. If we were to listen to our friends on Public Works and Transportation, the guidance is that we give 20 and the locals give 80. I am not trying to be cute here. I am just trying to find out if there is some message from the authorizing committee on this.

Mr. Geren. I need to go back and refresh my recollection. I will be glad to report back to you on that. It was an issue we addressed.

Mr. Carr. It was a few years ago.

Mr. Frost. The DART system is 80/20 with 80 percent local. That is a very significant overmatch, which we testified on yesterday.

Mr. Carr. And the match on this is basically reversed.

Mr. Frost. Mr. Chairman, of course the DART system has a sales tax authority and has collected a considerable amount of money in sales tax. That is why they were able to overmatch to such a significant degree.

Mr. Carr. I think I recall from your testimony, Mr. Garrison, that there is a sales tax for this one, too. Is that correct?

Mr. Garrison. For part of the distance.

Ms. Pyles. It is from the transit authority, not RAILTRAN itself.

Mr. Garrison. RAILTRAN has no taxing authority.

Mr. Carr. The voters of Richland Hills, apparently—

Mr. Garrison. They joined authority recently in anticipation of this.

Mr. Carr. And they levied a .5 cent sales tax.

Ms. Pyles. As their participation in the transportation authority.

Mr. Carr. Right.

Ms. Pyles. But it is not specifically for the RAILTRAN project. It involves all of their transportation.

Mr. Carr. I see.

Mr. Garrison. The Council of Governments has been very active in this.

Mr. Carr. What were the ridership projections again, when completed?

Ms. Pyles. When completed, it is approximately 11,000 daily riders.

Mr. Carr. And how was that projection arrived at? As I said yesterday, we find that the ridership projections tend to be promotional, at least at the outset of a project, and then they get more real as the camel starts to come under the tent.

Mr. Garrison. A year ago, when we were in your office, you cautioned us about bringing pie-in-the-sky projects to you. So the ridership on this one has been developed by the staff of the Council of Governments and they have used the criteria used by the FTA. You gave us a little lecture about what to bring, so I think we heard your lecture.

Mr. Carr. So you are using FTA standards for the forecast?

Mr. Garrison. That's correct.

Mr. Frost. Mr. Chairman, the cities of Dallas and Fort Worth are approximately the same distance as Washington and Baltimore. The population of Dallas County and Tarrant County is very significant. In 1990, it was 3.918 million. The projected population for the year 2000 is 4.5 million in the Dallas County and Tarrant

County area. So you have a very significant population density with the two end points 30 miles apart.

I think their estimate is very conservative in terms of the ridership.

Mr. GEREN. After a consultation staff and other people working on this project, I can respond to your earlier question now.

The $19.1 million that was in ISTEA was for the planning and acquisition of right-of-way and some other ancillary facilities associated with this. The $27 million that we seek today was part of the original authorization.

Mr. CARR. You're a member of that committee, right?

Mr. GEREN. Yes, I am, as well as Ms. Johnson.

Mr. GEREN. We're planning on both committees working hand-in-glove on this issue. [Laughter.]

Mr. CARR. Mr. Coleman?

Mr. COLEMAN. I have no specific questions, Mr. Chairman.

Mr. CARR. Thank you for being here. As always, your testimony is very helpful.

WEDNESDAY, MARCH 24, 1993.

MISSOURI/ILLINOIS METRO LINK LIGHT RAIL PROJECT

WITNESSES

ROBERT J. FURMANEK, CHAIRMAN, BOARD OF COMMISSIONERS, BI-STATE DEVELOPMENT AGENCY

JOHN K. LEARY, JR., EXECUTIVE DIRECTOR, BI-STATE DEVELOPMENT AGENCY

Mr. CARR. I am now going to call upon the vice chairman of this subcommittee, Mr. Durbin, to introduce the next witness.

Mr. DURBIN. I would like to have Mr. Furmanek and Mr. Leary to please join us here. I apologize for being late and out of sequence to introduce them. They will be testifying this morning on the St. Louis Metro Link light rail system, which has been an object of concern by this subcommittee for many years. I am happy to report that we are coming into the home stretch. I would like to introduce at this time Mr. Furmanek, who is chairman of the Board of Commissioners of the Bi-State Development Agency, and John Leary, executive director, who will testify about the status of the project.

Mr. FURMANEK. Thank you, Congressman Durbin.

Good morning, Mr. Chairman and members of the committee.

As Congressman Durbin said, I am Robert J. Furmanek, chairman of the board of the Bi-State Development Agency, which is responsible for the construction and operation of the Missouri/Illinois Metro Link project.

First of all, I would like to thank you, Mr. Chairman, for the opportunity to testify before your committee and also for your past support of the Metro Link project. As a resident of Illinois, I would like to thank my congressman, Congressman Durbin, for his steadfast support for this project from its beginning and his continued support. Thank you, Mr. Durbin.

With me, Mr. Chairman, is Mr. John K. Leary, Jr., our executive director, and Mr. Steven Willis, our project manager for Metro Link.

You have our submitted testimony, so right now I would like to briefly outline the key points.

I am pleased to report that we have succeeded in keeping our word to the committee that we would keep the project on time and within the cost allowed under the full funding agreement. Mr. Leary, our executive director, will shortly outline for you our fiscal year 1994 funding request, which reflects instructions Congress gave us last year to borrow necessary funds to open our system on time.

In addition, we are asking the committee to consider a funding request to purchase 54 alternative fuel buses, having a unique donation of local match, which will greatly improve our bus system.

I would now like to introduce Mr. Leary.

[The prepared statement of Robert Furmanek follows:]

TESTIMONY PREPARED FOR SUBCOMMITTEE ON TRANSPORTATION HOUSE APPROPRIATIONS COMMITTEE HONORABLE ROBERT CARR, CHAIRMAN

March 24, 1993
by
Robert J. Furmanek
Chairman, Board of Commissioners
Bi-State Development Agency

Mr. Chairman, I am Robert Furmanek, Chairman of the Board of the Bi-State Development Agency. Our Agency is responsible for the construction and operation of the Missouri/Illinois Metro Link light rail project. When Metro Link begins revenue service this July, it will be part of a fully integrated regional transportation system complemented by our bus fleet and paratransit vans.

I would like, Mr. Chairman, to focus on three key points. First, we appreciate very much the Committee's past support for Metro Link. We have succeeded in keeping our word to the Committee that we would complete the project on time and within the costs allowed and agreed to in our full funding grant agreement.

Secondly, the Committee's instructions to us last year were to continue with the project realizing that delayed construction would only be more costly and to borrow the necessary funds to meet our July '93 opening. We abided by that request and now come to you asking assistance in fulfilling financial obligations necessary to complete the project, as well as operating and capital requirements of the entire integrated bus-rail system.

Third, we have a unique opportunity to address the critical regional issues of air quality and improved transportation services for the disabled. We have a pledge of support from Laclede Gas Company, a St. Louis-based utility, which has agreed to a $3 million local match of federal dollars toward the purchase of wheelchair lift-equipped compressed natural gas buses and related facility modifications.

I would now like to turn to Mr. Jack Leary, Executive Director of the Bi-State Development Agency, who will provide additional details on federal funding needs of the St. Louis' transit system.

Mr. Leary. Thank you, Mr. Furmanek.

Good morning, Mr. Chairman. My name is Jack Leary and I am the executive director of the Bi-State Development Agency. I want to thank you for this opportunity to come before you and highlight some of the key points of the fiscal year 1994 funding request for Metro Link and our Metro bus system. A detailed statement has been submitted to your committee for the record.

Mr. Chairman, we are proud to report to you—as you can see from the photographs on the table, the project is now 90 percent complete. It has exceeded every expectation we had. We expect to meet our scheduled opening date of this coming July. Test trains are running today as we speak. It is running without a hitch. The project is on budget and it is within the cost allowed under our full funding grant agreement.

Our fiscal year 1994 funding request is $19.596 million and will allow us to complete phase I of this project. This amount, as you know, includes the shortfall from the fiscal year 1993 appropriation and the $7 million we deferred last year. It also includes the $800,000 loan carrying cost under the authority you granted to us last year to continue the construction and remain on schedule.

This year, we are also coming to the committee that we're quite excited about in that it helps deal with St. Louis' status as a non-attainment area. Specifically, we are requesting a $16.9 million appropriation to purchase 54 natural gas-fueled buses to enhance our aging fleet and to allow us to integrate our bus system into our new Metro Link light rail operation.

We have persuaded the local public utility in Saint Louis to provide us with the $3 million of local share, which is a unique cooperative effort, public/private partnership, and it is the first time we will be able to bring these kind of buses to Saint Louis. These buses, as well as complying with the Clean Air Act goals, will be wheelchair-equipped for the disabled and will be a major improvement to our bus fleet.

In conclusion, Mr. Chairman, Metro Link has had a major impact on the economy of our region, creating thousands of jobs and revitalizing some of the most historic parts of Saint Louis using and utilizing old infrastructure, including the historic Eads Bridge and the downtown tunnel that Congressman Durbin is so familiar with.

Therefore, we respectfully request your help this year to allow us to complete this phase of the project and at the same time improve our bus system.

Thank you very much.

[The prepared statement of John Leary, Jr. follows:]

TESTIMONY PREPARED FOR SUBCOMMITTEE ON TRANSPORTATION HOUSE APPROPRIATIONS COMMITTEE HONORABLE ROBERT CARR, CHAIRMAN

March 24, 1993
by
John K. Leary, Jr.
Executive Director
Bi-State Development Agency

Mr. Chairman, to expand on Mr. Furmanek's opening statement, I would like to outline in detail the specifics of our Fiscal Year 1994 funding requirements and the status of the Metro Link light rail project.

To update you on Metro Link, as you can see from the photographs in your folders, construction is more than 90% complete. I am proud to report that the project is on schedule and within budget. As you may recall, Mr. Chairman, with a planned opening this July 1st, last year's conference report granted us approval to borrow funds needed to meet the July 1993 opening date specified in our Full Funding Agreement. To recap last year's requests and allocations, our funding request for FY'93 for the first phase of Metro Link was $46,460,539 while the actual amount received was $39.3 million, leaving a shortfall of approximately $7.2 million for the 1993 requirements. In recognition of the funding squeeze, we had deferred those funds needed for the Berkeley spur, as well as the East Riverfront Station amounting to a total of $7,456,722 to coincide with the expansion of Lambert-St. Louis International Airport and the Jefferson National Expansion Memorial on the East St. Louis Riverfront.

The $39.3 million grant in FY'93 has been included in an amendment to the Full Funding Grant Agreement which has enabled us to accommodate an enhanced security and communications system, realignment and design changes required to serve Lambert Airport and additional costs of land acquisition for the system.

For Fiscal Year 1994, our funding requirement is $19,596,345. This includes the shortfall in the FY'93 appropriation of $7.2 million; the amount deferred last year and now needed ($7.5 million); additional extraordinary expenses of $4.1 million; and $0.8 million for loan carrying expenses and FTA project management oversight (PMO) expenses.

Metro Link, together with Bi-State's integrated bus transit system promises the people of the St. Louis Metropolitan area significantly improved mobility, new opportunities for economic development and the creation of permanent jobs as a result of that development.

Alternative Fuel Bus Project

The Agency seeks to provide an environmentally clean integrated bus and light rail system for the St. Louis region which has the status of an EPA ozone non-attainment area.

We have an excellent opportunity to address this concern with a unique public/private partnership with Laclede Gas Company of St. Louis. Since we lack local matching funds, Laclede Gas has agreed to provide over $3 million local match for a $16,903,900 federal request to purchase 54 natural gas fueled buses and modify facilities for these buses. Therefore, we are requesting an appropriation of $17 million in Section 3 funds for this important addition to our bus fleet. To that end, this public utility and Bi-State successfully cooperated in a test program to determine the feasibility of compressed natural gas (CNG) as a fuel for buses to reach compliance with clean air legislative requirements.

Furthermore, these CNG buses which have been proven to enhance air quality are an advantageous choice for replacement of vehicles in our transit fleet because they are wheelchair lift-equipped, and address the critical issue of appropriate transportation services for the disabled.

Finally, Mr. Chairman, this project has had a significant impact in the creation of jobs, revitalized old infrastructure and pumped more than $300 million into the local economy. In conclusion, Mr. Chairman, we want to successfully complete this project on time and within the costs allowed under our full funding grant agreement. Just as important, is the need to upgrade our transit fleet with wheelchair lift-equipped, compressed natural gas buses which are environmentally clean and accessible to all. Bi-State needs your support in fulfilling the operating and capital requirements of our entire multi-modal integrated bus-rail system. We hope very much the Committee will assist us in achieving this goal.

Mr. CARR. Thank you very much.

Mr. Willis, do you have a statement to present as well?

Mr. LEARY. As one of the previous people, Mr. Willis is the brains. [Laughter.]

Mr. CARR. Then you're the one we want to talk to. Who are these other guys? [Laughter.]

Mr. WILLIS. I have no testimony, Mr. Chairman.

Mr. CARR. Mr. Durbin?

Mr. DURBIN. I have no questions, but I do want to make it clear to the members of the subcommittee that we consider phase I as the anchor for the project in the Saint Louis metropolitan area. Phase II, which stretches out over on the Illinois side of the river, is presently under consideration and we have some planning money in place. There are several actions that are necessary from the State Legislature as well as local governments before we're ready to make the full commitment here. But we will be talking about that during the course of the subcommittee deliberation.

I might also add for the members of the committee who haven't flown through Saint Louis lately or been there, it is amazing what has been done there. I want to congratulate the folks at Bi–State. You have done a great job in putting together this project and I am happy to hear that we will be on time and on budget. That's the kind of thing we like to hear from the project.

Thank you, Mr. Chairman.

Mr. CARR. Mr. Wolf?

Mr. WOLF. How much are you asking for this year?

Mr. LEARY. Our request this year is for $19.5 million.

Mr. WOLF. And the total Federal involvement will be what?

Mr. LEARY. That will bring the total project cost to $345 million Federal, plus $112 million in local.

Mr. WOLF. So when it is finished, what will it be?

Mr. LEARY. That will be the total project cost.

Mr. WOLF. How much has the Federal Government put in to date?

Mr. LEARY. To date, $326 million.

Mr. WOLF. So this is the last increment?

Mr. LEARY. That's correct.

Mr. WOLF. And then we won't see you again?

Mr. LEARY. This project will be operational.

Mr. WOLF. But you won't be back?

Mr. LEARY. There is a very important segment in our Bi-State partnership with Illinois.

Mr. WOLF. But you will be funding that locally and with the State, or will you be coming back to the committee?

Mr. LEARY. There is a move locally to provide some funding for the Department of Transportation in Illinois.

Mr. WOLF. And should you come back, what would the ratio be then? What would you be asking for then?

Mr. LEARY. It would be an 80/20. It is premature to say. The alternative analysis for that is underway now. It will be completed in a few months. Preliminary engineering will identify the costs, which is estimated to be in the range of $350 million total, of which we would like to approach you for 80 percent Federal share.

Mr. WOLF. I have no further questions.

We have a series of questions we will be giving you, but I have no further questions.

Mr. Carr. Is there a local dedicated source of operating revenue?

Mr. Leary. Yes, sir. We have a .5 cent regional sales tax that is dedicated to public transportation in the Saint Louis region. It is .25 cent in Illinois.

Mr. Carr. Mr. Foglietta?

Mr. Foglietta. No questions.

Mr. Carr. Thank you all very much.

Wednesday, March 24, 1993.

SAN FRANCISCO BAY AREA

WITNESSES

HON. NORMAN MINETA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

JANE BAKER, CHAIR, METROPOLITAN TRANSPORTATION COMMISSION

SHARON BANKS, GENERAL MANAGER, ALAMEDA-CONTRA COSTA TRANSIT DISTRICT

ROD DIRIDON, MTC COMMISSIONER, SANTA CLARA COUNTY SUPERVISOR

MARGARET K. PRYOR, DIRECTOR, SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

Mr. Carr. Our next witnesses will be our friends from the San Francisco Bay Area, Ms. Jane Baker, Chair of the Metropolitan Transportation Commission; Rod Diridon, MTC Commissioner from Santa Clara County, and Sharon Banks, general manager of the Alameda-Contra Costa Transit District, and Margaret Pryor, director of the San Francisco Bay Area Rapid Transit District.

Welcome to the committee. It is nice to see you again.

I understand that Congressman Norm Mineta is intending to be here with you and is down the hall. But in the interest of time, I would like to hear from him when he arrives.

Your statements will be made a part of the record and we would like to hear your summation.

Ms. Baker. Thank you. I know you're very busy and we will try to keep it as short as possible. You are in luck because one of our members' planes did not arrive, so we are one less.

I thank you for giving us the opportunity to appear before your committee to discuss San Francisco Bay Area's perspective on Federal transportation appropriations for fiscal year 1994. My name is Jane Baker and I am chairwoman of the Metropolitan Transportation Commission, which is the transportation planning and financing agency for the nine-county San Francisco Bay Area with its over 6 million residents. So when we have a consensus, it is a big consensus.

The Bay Area has been in the forefront of implementing Federal transportation policy as set forth in ISTEA. Thank you for serving us ISTEA as it represents an outstanding piece of legislation that has helped the Bay Area and California respond to the post-interstate era and better manage our transportation system.

Needless to say, we believe a fiscal year 1994 Federal appropriations bill should provide full funding to make it work. We strongly advocate the fiscal year 1994 transportation appropriation bill should fund ISTEA at its authorized level, including transit capital program, Federal highway program, and transit operating assistance program.

If you adjust funding appropriated for the Federal Transit Administration for inflation, you find that transit funding in fiscal year 1993 is exactly half the amount appropriated in 1981. Even if ISTEA was funded to its authorized level, fiscal year 1994 transit funding would still be only two-thirds of the amount appropriated in 1981 after adjusting for inflation.

It is clear that fully funding the transit program in ISTEA only partially reverses a 12-year trend of declining Federal assistance towards transit.

Against this background of declining transit funding is an increasingly demanding public who look to transit to address serious issues in our society. These include urban traffic congestion, polluted air, mobility for urban and rural workers, and mobility for disabled persons.

Federal mandates, such as the Americans with Disabilities Act, have also added to the demands on transit systems. In California, we have been further hampered by a persistent recession. The San Francisco Bay Area currently funds more than 97 percent of its transit operating expenses from State and local sources. Only 3 percent of our operating funding comes from Federal sources.

However, virtually all of our State and local sources have been affected by California's recession. Local sources are largely derived from local sales taxes, which are highly sensitive to economic fluctuation and the budget problems of California are only too widely known. As a result, while the public and policy makers are asking for more transit, the Bay Area is cutting bus services and deferring capital projects in order to absorb the reduction in local revenues caused by the recession.

That is why fully funding ISTEA, and in particular fully funding operating assistance, is so important to the Bay Area and our citizens. We can utilize the formula capital funds to rehabilitate our older rail systems such as the Bay Area Rapid Transit System, the Peninsula Commute Service, and San Francisco's light rail system and replace our aging bus fleets. We can spend these funds rapidly for needed services while simultaneously putting our citizens to work.

Funding all ISTEA programs to their authorized level includes the Federal highway program and will also help the Bay Area to maintain its investment in interstate roadways and our bridges. The Bay Area's $3.5 billion program to extend its rail system is also dependent upon full funding of section 3 discretionary programs. Like the rest of the Bay Area transit system, this program is largely funded with State and local dollars, over 70 percent. Only 30 percent is being sought from Federal sources.

However, section 3 discretionary funding is critical to this program since it is the Federal funds which trigger the release of local funds, thereby keeping the entire program moving. The two federally supported projects in the program are BART to the San Francisco Airport and the Santa Clara County light rail project known as the Tasman Corridor.

These projects are using $207 million out of the $226 million earmarked in prior years for the Bay Area new rail starts program. Fully funding ISTEA would provide the Bay Area with $100 million in section 3 new rail starts funding. In addition, we are seeking $55 million to make up for the prior year's shortfall in keeping our program on track, for a total of $155 million. In fiscal year 1994, these funds will be used for final design and initial construction elements for the BART extension project and the right-of-way acquisition and vehicle procurement for the Tasman project.

In short, the Bay Area is obligating prior year's appropriation committee earmarks and is ready to go with additional rail funding for obligating.

Fully funding ISTEA will help provide the operating and capital funding needed to maintain our transportation system, provide California residents with meaningful employment, and respond to Federal mandates such as the Americans with Disabilities Act.

I have two people here representing the operators that would like to make a short presentation.

Mr. CARR. Thank you, but before you proceed I want to recognize the presence of our good friend, the chairman of the Public Works and Transportation Committee.

Mr. MINETA. Mr. Chairman, I apologize for being late. I appreciate your indulgence at this point. I was over testifying before your colleagues in the Energy and Water Subcommittee.

Before you today, you have some of the foremost transportation people not only in the San Francisco Bay Area, but in the country. Jane, as you already know, is the Chair of the Metropolitan Transportation Commission, which is probably one of the leading multijurisdictional transportation planning agencies in the country.

The other is Sharon Banks, former general counsel and now the general manager of the Alameda-Contra Costa County Transit District principally serving the East Bay.

The other is a person who is a member of the board of directors of BART, Margaret Pryor.

Another witness who was going to be here was Rod Diridon, a member of our own Board of Supervisors in Santa Clara County, but unfortunately, another form of transportation—airplanes—kept him from being able to get here in a timely fashion.

Mr. Chairman, let me say that these folks are really among the most talented transit leaders in the country. I know you will hear their testimony. I know you and I have had many discussions about the limited financial resources that are available and how you have to try to shoe-horn everything in. I know what kind of a difficult task you have before you, but I want you to consider as you look at all the projects that you are going to have to look at nationally that you look at the following consideration.

Only 30 percent of the Bay Area's rail expansion program is federally funded, and 70 percent comes from State and local sources. The Bay Area has already obligated more than 90 percent of the funds previously earmarked for rail extensions by this subcommittee.

So I feel, Mr. Chairman, that the Bay Area can and will quickly obligate any additional expansion of rail funds with an overall non-Federal match more than three times what is currently required by law. I would urge you to provide the full $155 million in section 3 new start funds that are being requested by MTC for fiscal year 1994.

Again, thank you very, very much, Mr. Chairman.

Mr. CARR. Thank you. It is nice to have you here.

You all have a very good advocate here. Fortunately, your projects in the San Francisco Bay Area have a great deal of credibility. You do have an overmatch in most instances and you have a local source of dedicated operating revenue and you do have political consensus in an area that is sometimes not easy to reach. That has all been recognized. I expect we will be working with you in the future.

Mr. Wolf?

Mr. WOLF. I welcome the chairman and the witnesses.

It is impressive that you have that overmatch. Do you think the 80/20 match should be changed?

Mr. MINETA. I don't think from a policy perspective it ought to be changed. One of the big things that we did in ISTEA was to make sure that everything went to an 80/20 so that regardless of whether it was a new project or a rehab project, whether it was rail or highway that we made everything the same match so that we were making good transportation decisions and not good fiscal decisions.

I would prefer to keep the 80/20 there. If local agencies and others want to do more in order to make their projects attractive for consideration, then they ought to do that. But I think basically we ought to try to stay with the 80/20 and to the extent that locals are willing to come up with more, then that is what the Executive Branch ought to be weighing and that you folks ought to be weighing as you look at these projects that come before you.

Mr. WOLF. So you think there should be a credit given? Your match is higher than most, so it is fair to say that if you kept the 80/20 that FTA and others should give a special bonus. Do you think there should be a special bonus system for agencies who do a better job?

Ms. BAKER. We very definitely believe that. We call ourselves the self-help counties. And we have taxed ourselves all over the Bay Area so that we can help you by providing some of the funding ourselves.

Mr. WOLF. Thank you very much.

Mr. CARR. On the match issue, we just had a group of people here not too long ago who essentially created a light rail project with no local match, in my judgment. Then you see transit properties like San Francisco and others that are really making a local effort.

Mr. Chairman, do you think it is appropriate for our committee to try to encourage people to overmatch?

Mr. MINETA. I think so. Again, I think we have to leverage with public dollars at the Federal level on the local and State and on the private sector. When I look at the benefits that have accrued to the communities just from the rail in this area, and we have seen developers come forward and make the kind of tremendous investments, I think we ought to be using those public dollars to leverage, whether to bring that match up from local public agencies or getting the private sector to invest. I think that is the kind of approach we ought to be taking.

Mr. CARR. What is your position on communities that try to match with in-kind contributions rather than financially?

Mr. MINETA. Let's say they may come up with land for the transit station or additional services. We find that in conjunction with stations that they may even be encouraging day care centers and things of this nature from other local funding sources that enhance a transportation project.

I think those things add to the credibility or attractiveness of the project, but it is not something that we have looked at as how you measure a project.

Mr. CARR. I would hope that we would get some guidance from the authorizing committee on this matter because match is important and local effort is important. Through a variety of devices, we have witnessed some communities that are basically doing 100 percent Federal funding by calling as their match and getting approved by FTA as their match an unused unsalable asset that has no market value. It is the kind of thing that robs communities like San Francisco and other good projects which are doing the right thing of available resources.

Mr. MINETA. Mr. Chairman, you are absolutely correct in having us take a look at that. I think just as highway departments have purchased excess lands over a long period of time and then bank them and never even end up using them. Yet we have spent a lot of money acquiring rights-of-way that never get utilized.

I have seen interchanges in highways that are never put in place where they buy *x* number of acres to put in an interchange, but they only use half that land, yet we are the ones who have financed that.

You are absolutely correct. Those are the kinds of things we ought to be doing to make sure that we get bigger bangs for the bucks.

Mr. CARR. We look forward to working with you and seeing how we can stretch our dollars.

Ms. BAKER. I also say that the citizens and the voters are telling you that they really need these improvements because they have taxed themselves to help provide them. I know in Congressman Mineta's area, they have voted twice in the past 10 years to tax themselves because they felt the need was there.

Mr. CARR. Thank you.

Ms. Banks, do you have a few words for us?

Ms. BANKS. I do have a few words. Thank you.

On behalf of AC Transit and large urban transit operators, I appreciate the opportunity to be here today.

The theme I have is weaving straw into gold. Basically, the operating assistance that we receive from the Federal Government is the straw. As you have heard, our region has excelled in my estimation in its efforts to tax itself and to provide local matches for projects. However, we are at the point in our region where operating assistance is critical.

We have mandates—Americans with Disabilities Act, Clean Air Act, safety issues, random drug testing—required of operators like AC Transit, but as you know there is no funding provided for that.

So to take operating assistance down or to keep it at a level that is not full funding under ISTEA, in my estimation, takes away the straw that I weave into gold.

We serve 236,000 passengers a day over a 400-square mile area. Our primary need is operating assistance to keep the buses going.

In the big picture, the operating assistance at full funding is the key point I would like to make before this committee today. In our view, operating assistance is the maintenance of jobs as well as the creation of new jobs. If I receive operating assistance, I can put people to work tomorrow and I can keep them at work permanently, not consider them temporary employees.

Full funding of section 9 operating assistance will help AC Transit and other transit operators maintain their existing bus service without cutting it at a time when people need to get to their jobs, when they don't have resources or purchases of automobiles.

Under our most recent projections—because our agency is funded primarily through property tax and sales tax revenues, which are down, there will be a shortfall of almost $10 million next fiscal year. We tackled an $18.5 million deficit last year, so there are very few areas for us to cut again without looking at service cuts.

The dilemma we face illustrates the impact of the recession not only in transit districts, but all public services in the State of California. Because of defense cuts and military base closures, the Alameda County/Contra Costa area will suffer economically. We don't project that there will be increases in sales tax and property tax revenues in the near term.

Our citizens have already passed the .5 cent sales tax for transportation, but even with that, Federal operating assistance is key to us and is vital.

We are struggling to maintain existing service, to meet the Clean Air mandates despite the fact that technology hasn't exactly kept up with the mandates. We are looking for paratransit options, implementing those next year in our budget, which is a $1.6 million cost just to start the paratransit service, although our buses are 100 percent accessible.

We plan a realignment of our outmoded routes to meet the Clean Air mandates. As you are aware, in 1996 I will not be able to purchase a new diesel bus, but I will have to use alternative fuels or some other mode in order to keep the system running.

Implementation of all these mandates is an area that I would suggest this committee look carefully at. We are not just asking for increases in section 9 funding or full funding of operating assistance. We are asking you to look at operating assistance as a way to help us meet the mandates that Congress has determined transit should bear at this point. We cannot bear that without the continued and increased assistance in this area.

I would also like to emphasize the importance of section 3 bus discretionary and new rail starts funding. They are also mechanisms to help us meet Federal mandates. Section 3 funding will help us meet the requirements of the Americans with Disabilities Act. We are looking forward to capital funds for paratransit vehicles, for loud speakers on the buses, and for new head signs that visually impaired riders can read. The Bay Area alone is seeking a

$13 million bus discretionary grant to fund the capital costs for the ADA.

The Clean Air mandates also require section 3 funds to revamp our bus yards to accommodate non-diesel fueling stations. We are looking at alternative modes as a way for us to meet the conditions of the Clean Air Act both in California and the Federal Government. But without Federal assistance, we will have to dismantle a part of our fixed route system. Dismantle is a strong word, but that is exactly what we will be faced with—taking away the fixed route service in order to run a very, very limited service that meets both Clean Air and ADA. And that is contrary to what I think the intent of the legislation was.

We would like to work with you, Mr. Chairman, and this committee to identify additional Federal transit operating assistance funding dedicated if for nothing to implementing the safety requirements facing us, random drug testing, Clean Air Act, and the ADA to the extent that we could wall off guarantees that those additional funds would be used for those mandates. I am sure that the transit industry can do that.

I thank you for the opportunity.

Mr. CARR. Thank you, Ms. Banks. We appreciate that. I just want to tell you that my personal opinion is that Congress has not been fair to local units of government, local transit with regard to mandates. It seems to me that it is a real lack of discipline on the part of the Congress to fail to adequately debate the resources that are required to fill some of these mandates. I dare say that if we had a constitutional requirement to have money follow mandates, then the mandates themselves would be crafted in a largely different way.

I do think it is unfair the way we do that, but I am only one person.

I might say to you—and this is something I know will concern my good friend Congressman Mineta, as it does me—it does appear that the Administration is not going to request any more money for operating assistance than the Bush Administration requested last year. It is really not happy news at a time when we are trying to get some improvements to our transit properties. We will have to struggle with that as we go down the line.

I would also like to note that Rod Diridon, who was unable to be here, has a statement in front of us. I want you to give him our greetings. I have met him and know him. He is a leader in transit.

We will include his statement in its entirety in the record and excuse him for his absence.

Ms. Pryor?

Ms. PRYOR. Thank you, Mr. Chairman. Good morning to you and members of this subcommittee.

My name is Margaret Pryor and I am the vice president of the San Francisco Bay Area Rapid Transit District, commonly known as BART.

I really only have two points I would like to make this morning, and I shall be very brief.

First, I would like to share with you that the appropriations you have sent us to date are at work at this very moment building a BART extension to the San Francisco International Airport. Those appropriations are employing thousands of workers in solid, good-paying jobs, and helping to rebuild the California economy and making it competitive again. These funds are at work investing and reinvesting in California and in America's future. We thank you for that.

The BART extension, the first leg of our trip to San Francisco International Airport, is a full year ahead of schedule. To date, we have spent $123 million and created more than 7,000 direct and indirect jobs in recession-racked California. By the end of this year, we will spend another $67 million and create another 3,000 jobs.

This Federal spending, in turn, has triggered more than $650 million in local and State spending on three additional BART extensions, spending that has created another 37,000 jobs.

Second, we would like to request that you don't stop now. We request that you appropriate en toto the $100 million authorized for fiscal year 1994's new rail start earmark for the Tasman Corridor and for BART's extension to the San Francisco International Airport, plus the $55 million from this year's authorization that was not appropriated.

BART will award its preliminary engineering contract for this project within hours of FTA's award of the $30 billion grant. Within 12 months, we will be able to award final design and construction contracts in fiscal year 1994. This appropriation will help build the second leg of our extension to the San Francisco International Airport and create another 27,000 jobs.

We are currently seeking inclusion of the San Francisco International Airport extension in the FTA turnkey demonstration program. This turnkey program will let the Federal Government and BART test the benefits of innovative approaches to delivering construction projects faster and cheaper. Using the turnkey approach, BART will be ready to award a single $481 million design and construct contract to build the next 4.4-mile two-station section of the extension to the San Francisco Airport in the coming fiscal year.

Let me also note that BART plans to use this turnkey approach on another important project if we are selected to participate in the FTA's demonstration program.

BART is one of three transit systems at this time in the Nation receiving $330,000 each for an FTA demonstration of suspended light rail technology. We will be awarding the feasibility contract for that within the next month.

This revolutionary new technology will link the Oakland Coliseum BART station with Oakland International Airport by way of a modern, high-tech, suspended transit system that would whisk passengers over the existing industrial park and businesses directly to the airport.

We also request that you appropriate the full funding for section 9 capital grants and section 3 fixed guideway rail modernization grants. These much-needed formula programs will help us continue our critical billion dollar 10-year reinvestment program to rehabilitate our aging fleet of trains, tracks, stations, and our high-tech computer systems. Just as you have begun to rehabilitate the local Metro here in Washington, so must BART. We are, after all, the parent of Metro and we are no longer a spring chicken ourselves. We need to rehabilitate and modernize also.

Transit funding over the past 12 years simply has not kept pace with the needs of transit in this country. This committee's early action on the economic stimulus package gives all of us great hope that the total dollars authorized for transit in fiscal year 1994 will be made available because it is only by spending at authorized levels that public transit in this country can move into the next millennium.

I would like to thank you for this opportunity.

Mr. CARR. Thank you, Ms. Pryor.

Mr. Wolf?

Mr. WOLF. No questions, Mr. Chairman?

Mr. CARR. Mr. Foglietta?

Mr. FOGLIETTA. Mr. Chairman, I have no questions, but I do have a short statement to make.

It is really heartening to hear a group of people from the west coast be able to come here and talk about being able to overmatch. It makes me so happy to know that we have areas like that throughout our country where people are willing to tax themselves to help their own communities.

Mr. Chairman, as you well know, I am chairman of the Urban Caucus of the House of Representatives. I just want to make sure that we all keep in mind that there are some communities throughout this Nation who are just absolutely and totally unable to come up with the kind of funds we would like to see them come up with for matching funds, let alone overmatching funds.

We have a new community in my district which I just got last year, the city of Chester, Pennsylvania. There are 40,000 people in that city and they don't even have a recreation center. They are taxed to the hilt. And their tax base has just about disappeared. They need help. Just keep in mind that although we are so happy to have communities who can do this, there are communities who would like very much to be able to match or overmatch and help themselves but who just find it impossible to do that at the present time.

Mr. CARR. Thank you for your time and attention to this committee's needs. We appreciate you being here, particularly the chairman of the Public Works and Transportation Committee.

[The prepared statements of Baker, Banks, Diridon, and Pryor; and response to the Hon. Wolf's, questions follow:]

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Statement of
The Metropolitan Transportation Commission
and the
San Francisco Bay Area Transit Operators
before the
Subcommittee on Transportation
of the
Committee on Appropriations
United States House of Representatives
March 24, 1993

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Testimony of Jane Baker
Chairperson of the
Metropolitan Transportation Commission
Before the House Appropriations Committee
Subcommittee on Transportation

Good morning Mr. Chairman and thank you for giving us the opportunity to appear before your committee to discuss the San Francisco Bay Area's perspective on federal transportation appropriations for fiscal year 1994. My name is Jane Baker and I am the chair of the Metropolitan Transportation Commission, which is the transportation planning and financing agency for the nine-county San Francisco Bay Area.

The Bay Area has been in the forefront of implementing federal transportation policy as set forth in ISTEA. ISTEA represents an outstanding piece of legislation that has helped the Bay Area and California respond to the post-interstate era and better manage our transportation system. Needless to say, we believe that the FY 94 federal appropriations bill should provide the funding to make it work. We strongly advocate that the fiscal year 1994 transportation appropriations bill should fund ISTEA to its authorized level, including the transit capital program, the federal highway program and the transit operating assistance program.

I believe it would be helpful to put in historical perspective what fully funding the transit programs in ISTEA means. During the two fiscal years since the enactment of ISTEA, transportation appropriation levels have been well below authorized amounts. While President Clinton's economic stimulus package could raise fiscal year 1993 funding levels, transit programs currently are funded at $3.6 billion, 30 percent below ISTEA authorized spending levels of $5.2 billion.

What is more telling is that if you adjust funding appropriated for the Federal Transit Administration for inflation, you find that transit funding in fiscal year 1993 is exactly half of the amount appropriated in 1981. Even if ISTEA was funded to its authorized levels, fiscal year 1994 transit funding would still be only two-thirds of the amount appropriated in 1981, after adjusting for inflation. It is clear that fully funding the transit programs in ISTEA only partially reverses a 12 year trend of declining federal assistance toward transit.

Against this background of declining transit funding is an increasingly demanding public who look to transit to address serious issues in our society. These include urban traffic congestion, polluted air, mobility for urban and rural workers and mobility for disabled persons. Federal mandates such as the American with Disabilities Act have also added to the demands on transit systems.

In California, we have been further hampered by a persistent recession. The San Francisco Bay Area currently funds more than 97 percent of its transit operating expenses from state and local sources. Only 3 percent of our operating funding comes from federal sources. However, virtually all our state and local sources have been affected by the California recession. Local sources are largely derived from local sales taxes, which are highly sensitive to economic fluctuations, and the budget problems of California are only too widely known.

As a result, while the public and policy makers are asking for more transit, the Bay Area has been cutting bus services and deferring capital projects in order to absorb the reduction in local revenues caused by the recession.

That is why fully funding ISTEA , and in particular, fully funding operating assistance, is so important to the Bay Area and California. We can utilize these funds to maintain vital services to our citizens. We can utilize the formula capital funds to rehabilitate our older rail systems such as the Bay Area Rapid Transit System, the Peninsula Commute Service, San Francisco's light rail system, and replace our aging bus fleet. We can spend these funds rapidly for needed services while simultaneously putting our citizens to work.

Funding all ISTEA programs to their authorized levels including the federal highway program will also help the Bay Area to maintain its investment in the interstate, roadways and our bridges. We at MTC are forging new partnerships with intermodal freight carriers, airports and other transportation system users. It is clear to us that a multi-modal approach to transportation is necessary if we are going to be successful in solving our problems. Urban traffic congestion is of vital concern to our ports, airports and freight haulers, and we must have the means to maintain and enhance our highways if our economy is going to grow.

The Bay Area's $3.5 billion program to extend its rail system is also dependent upon fully funding the Section 3 discretionary program. Like the rest of the Bay Area's transit system, this program is largely funded with state and local dollars--over 70 percent to be exact. Only 30 percent is being sought from federal sources. However, Section 3 discretionary funding is critical to this program since it is these federal funds which trigger the release of local funds thereby keeping the entire program moving.

The two federally supported projects in this program are the BART to the San Francisco Airport and the Santa Clara County light rail project, also known as the Tasman corridor. These projects are using $207 million out of the $226 million earmarked in prior years for the Bay Area New Rail Starts program. Fully funding ISTEA would provide the Bay Area with $100 million in Section 3 New Rail Starts funding. In addition we are seeking $55 million to make up for prior year shortfalls and keep our program on track. In fiscal year 1994, these funds would be used to for final design and initial construction elements for the BART extension project and right-of-way acquisition and vehicle procurement for the Tasman project. In short, the Bay Area is obligating prior year Appropriation Committee earmarks and is ready to obligate additional rail funding.

Similarly, the Bay Area is seeking a $13 million Section 3 bus discretionary grant to fund capital costs associated with implementing the Americans with Disabilities Act.

Let me conclude by re-emphasizing the San Francisco Bay Area's strong advocacy for a fiscal year 1994 transit appropriations bill that funds ISTEA to its authorized levels. The Bay Area has suffered along with the rest of California from a prolonged economic downturn. Fully funding ISTEA will help provide the operating and capital funding needed to maintain our transportation systems, provide California residents with meaningful employment and respond to federal mandates such as the Americans with Disabilities Act.

Testimony of Sharon Banks
General Manager
Alameda-Contra Costa Transit District
Before the House Appropriations Committee
Subcommittee on Transportation

I am here today to address you concerning the needs of large urban transit operators. As General Manger of AC Transit District, which serves a population of 1.6 million in the East Bay Area, I confront those needs daily.

AC Transit serves 236,000 passengers a day over a 400 square mile area. Our primary need is operating funds to keep our buses on the streets serving our riders. Full funding of Section 9 Operating Assistance is critical to this mission. It also meshes with our nation's goal of job retention and job creation.

Most importantly, full funding of Section 9 Operating Assistance would help AC Transit and other urban carriers maintain existing bus service. Under the most recent projections of the 1993-94 fiscal year, it appears that AC Transit will face a shortfall of almost $10 million. AC Transit's dilemma illustrates the impact of the recession on not only transit districts but all public services in the State of California. Because of defense cuts and military base closures, California will continue to suffer economically even after most of the nation recovers. Our citizens have already passed half-cent sales taxes for transportation. Therefore, even though federal operating assistance is a relatively small portion of our budget, it a vital and irreplaceable part of our resources.

Even as we are struggling to maintain existing service, clean air mandates envision a larger role for transit with expanded service. AC Transit has such plans. We plan a realignment of outmoded routes to serve today's changed demographics. These plans are ready to go and awaiting implementation funding. Implementation would result immediately in new jobs for bus operators and mechanics. These jobs would be permanent in the community, not just temporary jobs which move on when a construction project is completed.

Implementation of these plans will also allow the urban poor new access to jobs. In many of the communities served by AC Transit, as many as 25% of the households have no automobile available.

I'd also like to speak for a moment in favor of Section 3 bus discretionary and New Rail Starts funding as mechanisms to help us meet federal mandates. Section 3 funding is necessary if we are to meet the requirements under the American with Disabilities Act. For example, we need capital funds for paratransit vehicles, for loudspeakers in the buses, and for new head signs on the buses to comply with the law.

Similarly, under clean air mandates we need Section 3 funds to revamp our bus yards to accommodate non-diesel fueling stations. In addition, we are studying light rail on our most heavily-traveled trunk lines as a non-polluting mode of transportation that can also lower our operating costs per rider. Without federal assistance we will have to dismantle part of our fixed route service to pay for these unfunded mandates. But with full funding of ISTEA we can form a partnership with the federal government in addressing the needs of our disabled citizens and the right to a healthy, pollution-free environment.

The San Francisco Bay Area has benefitted from the flexibility inherent in the ISTEA legislation. But without full funding, new mandates and the current economy will force urban bus operators to take steps backward in providing mobility to our citizens. I urge full funding of ISTEA in order that its vision for the nation's transportation system will be realized.

Testimony of Rod Diridon, Chair
Legislative and Public Affairs Committee,
Metropolitan Transportation Commission, and
Chair, Transportation Joint Conference Committee,
Santa Clara County Transit District Board of Supervisors,

Good morning Chairman Carr and members of the committee. I am Rod Diridon, member of the Santa Clara County Transit District Board and County Board of Supervisors.

I am very pleased to appear before you today on behalf of my county to bring you up-to-date on the Tasman Corridor project and encourage this committee to appropriate the funds authorized in the 1991 Intermodal Surface Transportation Efficiency Act.

In the two years since ISTEA was enacted, the Bay Area has taken a lead role in implementing its provisions. ISTEA has fulfilled many of the expectations that we in the transportation community had regarding its multi-modal approach to transportation. However, we have been hampered by the fact that Congress has not appropriated the full amount of funding authorized under ISTEA.

I strongly urge this committee to take an aggressive role in reversing this trend and fully fund all the programs authorized, including the Section 9 operating assistance promised to operators under ISTEA.

I'd like to take a moment to further emphasize the need to fully fund transit operating assistance. I am sure you are aware that California is suffering through a prolonged economic downturn. In Santa Clara County, where fares, local and state dollars fund over 95 percent of the operating cost of our transit systems, the downturn has been particularly difficult. Our sales tax revenues and state revenues have declined, and we have been forced to reduce our transit services and lay-off workers. At the same time, we are being called upon to address federal mandates such as the Americans with Disabilities Act and resolve air quality problems. But we cannot be part of the solution to these problems without funding, and federal operating assistance is a key element in helping Santa Clara County and the Bay Area through this difficult time.

Another element of ISTEA for which we seek your strong support is the funding of the Bay Area's two new rail extension projects: the BART to the San Francisco Airport and the Tasman Corridor project. The Tasman Corridor is a 12-mile extension to the county's very successful Guadalupe Corridor light rail system which now has a daily ridership of more than 21,000. The Tasman Corridor is also an integral part of Santa Clara County's T2010 Plan, the long-range transportation plan which addresses traffic congestion, air quality and quality of life issues within the future county.

ISTEA earmarks $568.5 million of Section 3 New Starts funds for these two projects, which are part of the Bay Area's $3.5 billion rail extension program. While New Starts funding comprises only 30 percent of the funding for this program, this funding is crucial to the successful completion of the Bay Area's rail extension program and to Santa Clara County. That is why we are seeking full funding of the $100 million in New Rail Starts funding earmarked for the Bay Area in fiscal year 1994. In addition to the $100 million, we are seeking $55 million to make up for prior year shortfalls between the authorized amount and the actual appropriated amount.

As MTC chair Jane Baker explained, the Bay Area has utilized past New Rail Starts funds relatively quickly. To date, over 90 percent of the $226 million in New Rail Starts funding appropriated to the Bay Area have been obligated or will be obligated pending FTA grant approval. We anticipate that Section 3 funds will continue to obligated and expended quickly as our program moves forward and enters into final design, vehicle acquisition and construction.

For the Tasman Corridor project, we have now finished preliminary engineering and are beginning final design. In fiscal year 1994, the Tasman Project will be ready to encumber a large portion of the authorized earmark in order to enter into a $70 million vehicle procurement contract and undertake $50 million in right-of-way acquisition. These elements of the project require long-lead times and it is crucial that they get underway if we are going to be able to deliver the project on time and under budget.

For this reason, 1994 New Starts appropriations at the fully authorized level of $100 million for the Bay Area--plus the 1993 prior year shortfall of $55 million--is crucial for the Bay Area's two large rail extension efforts to remain on schedule.

Finally, I wish to conclude my comments by thanking you, Chairman Carr for your past support for transportation programs nationwide and in the Bay Area. I and my fellow board members ask for the support of this committee again in recommending the full authorized amounts under the 1991 Intermodal Surface Transportation Efficiency Act for all program areas. I would also like to leave you with this thought: the Administration's proposal to apply the entire 2.5 cent gas tax--currently dedicated to deficit reduction--to the highway trust fund should be reconsidered. Past gas tax increases have been partially used to fund transit programs, and I would urge you to take a close look to see if transit funding could be increased through dedication of a portion of the 2.5 cent gas tax.

I wish to thank you for the opportunity to appear before you today. I will be glad to answer any questions that you may have.

House Appropriations Subcommittee on Transportation
March 24, 1993
Testimony of the
Margaret K. Pryor, Director
San Francisco Bay Area Rapid Transit District (BART)
FY 1994 Appropriations Request

Good morning, Mr. Chairman and members of the Committee. I'm Margaret K. Pryor, Vice President of the Board of Directors of the San Francisco Bay Area Rapid Transit District, also known as BART. I appreciate the opportunity to testify in support of legislation to make fiscal year 1994 appropriations for the Department of Transportation and related agencies.

BART joins Bay Area transit officials in asking your vigorous support for full funding, at ISTEA authorized levels, of the Section 9 Capital and the Section 3 Fixed Guideway Programs. BART's core system is 20 years old and we have an immediate need to rehabilitate our aging fleet of cars, track, and stations. We have developed a capital program which forecasts approximately $1 billion in system rehabilitation investment needs over the next decade. Clearly, we do not expect the full amount of this program to come from federal sources and, in fact, we have already invested or scheduled for investment BART funds to undertake several elements of the rehabilitation program. However, the full complement of ISTEA funding would greatly assist our reinvestment efforts.

Relative to the Section 3 New Rail Starts, the BART San Francisco International Airport Extension and the Tasman Light Rail project in Santa Clara County, are well positioned to obligate the full amount of our joint request for federal funding in FY 1994. Specifically, we seek $155 million for the San Francisco Bay Area Section 3 New Rail Starts earmark in the FY 1994 DOT Appropriations bill. This amount represents the $55 million authorized, but not appropriated for FY 1993, and the full $100 million authorized for FY 1994.

Full funding in FY 1994 is crucial to BART's plan to accelerate the San Francisco Airport Extension's schedule and potentially reduce project costs by building upon our record of success with the Colma Station Extension. The Colma Station project, the first leg of the SFO Extension, is now well underway and slated for completion in September, 1995 - or possibly sooner - at least a full year ahead of the original schedule. BART has already committed $123 million to the Colma project, alone, out of the $226 million that has been earmarked to the region since 1990. Those Colma contracts will create over 7,000 jobs in the San Francisco Bay Area.

BART's plan is to advance a portion of the SFO Extension by participating in FTA's demonstration of turnkey procurement methods, a promising construction strategy to save time and money on major capital projects. Under turnkey procurement, a single master contract is awarded to a private firm for the final design, construction and start-up of a public works project. After certification that the project is complete, the contractor "turns the keys" over to the owner agency. Using turnkey on the SFO Extension has the potential to achieve a number of project efficiencies including compressed design and construction schedule, reduced public sector risk, earlier revenue service, and overall project savings. We also hope to use the turnkey process to construct a suspended light rail demonstration project connecting our Oakland Coliseum station to the Oakland International Airport, the fastest growing airport in Northern California.

BART is well prepared to obligate as much of the FY 1994 New Rail Starts appropriations to the Bay Area as is programmed by MTC through the regional apportionment process. Our plan is to begin preliminary engineering (PE) this month. At the completion of PE, around the last quarter of FY 1994, BART plans to award a $481 million turnkey contract for the design and construction of the first 4.4 mile, two-station section of the SFO Extension from the Colma Station to the Tanforan Station.

In order to award the turnkey contract during the last quarter of FY 1994, BART must have applied for and received an obligation of federal funds to cover the total contract amount either in the form of grant approval or Full Funding Grant Agreement (FFGA). Alternatively, under an FTA Letter of No Prejudice (LONP), the District may use a Commercial Paper Program or a similar financial instrument to borrow either the entire contract amount, or the difference between the federal appropriation and the size of the contract. BART's strong preference is to borrow only as much as is absolutely necessary in order to keep debt service and therefore, overall project costs down. Clearly, BART's project needs are not only for the entire New Rail Starts earmark for the Bay Area in FY 1994, but additional federal appropriations as well, in order to let the massive turnkey contract.

In closing, I ask the Committee to heed BART and Bay Area transit officials' recommendations to fully fund the Section 9 Capital and Section 3 Fixed Guideway Programs, and to include $155 million in Section 3 New Rail Starts for the San Francisco International Airport Extension and the Tasman Light Rail Project. I know I speak for the people of the entire San Francisco Bay Area in thanking this Committee for the annual appropriations that have made our Colma Extension a reality, and put us well on our way to the San Francisco International Airport.

Winter 1992

T2010 Master Plan for Santa Clara County

On October 29, 1991, the Board of Supervisors approved the Santa Clara County Transportation Plan – T2010, the fourth update of the County's Transportation Master Plan, which dates back to the early 1970s. The T2010 Plan provides a comprehensive, multi-modal, countywide plan through the year 2010. It includes recommendations for Highways, Rail, Bus, Paratransit, Bicycle/Pedestrian Facilities, Land Use and Financing.

A significant part of the T2010 Plan was the development and approval of a Long Range Rail Master Plan. This Master Plan provides Santa Clara County with a conceptual vision of the type of rail system that will be needed over the next 40-50 years by the County's residents and workers. The Rail Master Plan is closely integrated with the other transportation, land use and important public policy actions which are also included in the T2010 Plan.

The Rail Element of the T2010 Plan divided the Rail Master Plan corridors into three priority tiers. These corridors are described below and illustrated on the map according to their tier category.

Existing Corridors

The Rail Master Plan builds on the following two existing rail corridors in Santa Clara County:

- The 21-mile Guadalupe light rail line from South San Jose/Almaden to North San Jose and Santa Clara which operates along Hwy 87, North First Street, and Tasman Drive.
- The 47-mile CalTrain commuter rail service from San Jose to San Francisco which operates in the 101 corridor up the Peninsula.

Tier 1 Corridors

Tier 1 consists of the 1987 Transportation 2000 priority rail corridors. These four corridors are considered the County's top priority for development in the near term.

Tasman Corridor Project

The Tasman Corridor Project would add twelve miles of new light rail to the existing Guadalupe light rail system. It would extend east on Tasman to Hostetter Road to serve Milpitas and northeast San Jose and west through the Lockheed area in Sunnyvale to connect with CalTrain in Mountain View. Service is projected to begin in 1997.

CalTrain Upgrade and Extension to Gilroy Project

This project would extend the existing CalTrain commuter rail line 28 miles to Gilroy. This service would operate along the existing Southern Pacific trackway parallel to Monterey Highway, with stations in south San Jose, Morgan Hill, San Martin and Gilroy. Service will begin in 1993 with 8 trains daily. Passengers would be able to transfer to the Guadalupe light rail line at the Tamien multi-modal station, near Alma Avenue in San Jose.

In addition, the current CalTrain service from San Jose to San Francisco will increase from the present 54 trains to a minimum of 66 trains per day. A new maintenance base will be constructed in San Jose to support the increased CalTrain service.

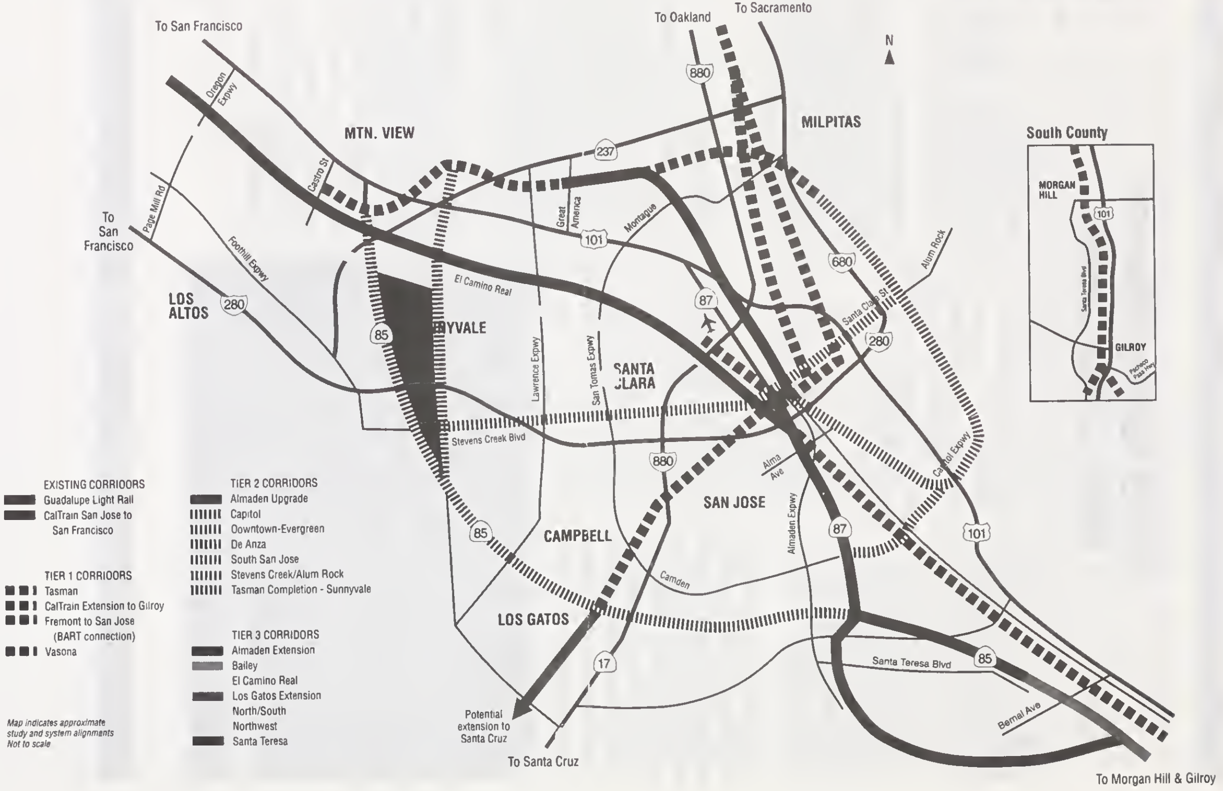
Fremont to San Jose Corridor

This corridor will link downtown San Jose to the BART system in Fremont. A study to be completed in 1992 is examining two

(continued on back page)

T2010 Rail Master Plan

Santa Clara County Transportation Agency



potential alignments for a BART extension. One alignment would extend BART service along the existing Southern Pacific trackway, parallel to Interstate 880 from Milpitas and north San Jose into downtown San Jose and continuing to Santa Clara. Another alignment option under study involves the extension of BART service along existing Union Pacific trackway, parallel to Lundy Avenue and King Road in east San Jose, and then into downtown San Jose and continuing to Santa Clara.

The preferred alignment would be carried into a Federal study on rail alternatives in this corridor. Rail alternatives to be studied include BART and light rail.

Vasona Corridor Project
The seven mile Vasona Corridor stretches from downtown San Jose through Campbell into Los Gatos. An environmental study was completed in 1991 with light rail selected as the preferred mode. The project will also connect with the CalTrain Cahill Station in downtown San Jose.

Tier 2 Corridors

The T2010 Plan identified eight corridors from the list of Rail Master Plan corridors for inclusion in Tier 2. The Tier 2 corridors are a lower priority than Tier 1 and are planned for longer-range development.

101/South County (CalTrain)
There are a number of further upgrades proposed for the CalTrain system. These include increasing the number of trains for peninsula and South County service, providing more reverse commute service, converting CalTrain to electric power and expanding CalTrain to downtown San Francisco and across the Dumbarton Bridge.

Almaden – Upgrade Existing Branch
This project would double track the existing Guadalupe light rail line's Almaden spur to allow for better and more frequent service from the Almaden Valley.

Capitol Corridor
This three mile corridor will extend rail service from the Tasman Corridor's Hostetter station in San Jose south along Capitol Avenue/Expressway to the Eastridge Transfer Center. It has been proposed, along with the Downtown-Evergreen Corridor, as part of a light rail system to serve East San Jose. A preliminary study for the corridor was completed in 1991.

Downtown-Evergreen Corridor
This corridor will connect downtown San Jose and San Jose State University to the Eastridge Transfer Center for a distance of 6 to 8 miles. A preliminary corridor study was completed in 1991.

De Anza Corridor
The De Anza Corridor runs from Mountain View or Sunnyvale to the Guadalupe Corridor predominately along Route 85 through Cupertino, Saratoga and Los Gatos for a distance of 17 to 18 miles.

South San Jose Corridor
This corridor would continue rail service on Capitol Expressway from Eastridge to the Guadalupe Corridor in San Jose. Combined with the De Anza, Tasman, and Capitol Corridors, an intra-county loop of rail service would be formed.

Stevens Creek/Alum Rock
This corridor runs from Cupertino near De Anza College through downtown San Jose and to East San Jose and the Alum Rock area for a distance of 16 miles.

Tasman Completion – Sunnyvale
This project would construct the second leg of the Tasman Corridor from Lockheed to downtown Sunnyvale on Mathilda or Pastoria Avenues.

Tier 3 Corridors

The T2010 Long Range Rail Master Plan includes seven additional corridors designated for future development beyond the year 2010 timeframe. These Tier 3 corridors are designed to complete a comprehensive rail transit system for Santa Clara County:

- Almaden Corridor – extends rail 3 miles further into the Almaden Valley from the Guadalupe's Almaden Station.
- Bailey Corridor – connects the Almaden Corridor extension with the Santa Teresa Corridor following the realigned Bailey Road in San Jose.
- El Camino Real – runs from downtown San Jose through Santa Clara, Sunnyvale, Mountain View to Palo Alto on El Camino Real for a distance of 20 miles.
- North/South – extends from the West Valley to the Golden Triangle near Lawrence and San Tomas Expressways.
- Northwest – connects residential areas in Los Altos and Mountain View with employment centers in North County.
- Santa Teresa – serves the Coyote Valley in San Jose along Santa Teresa Boulevard
- Los Gatos Extension – extends rail service in the Vasona Corridor from Route 85 through downtown Los Gatos. Eventually a regional connection could be provided to Santa Cruz.

Santa Clara County Transit District Board of Supervisors

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April 16, 1993

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The Honorable Frank R. Wolf
US House of Representatives
104 Cannon House
Washington D.C. 20515-4610

Dear Congressman Wolf:

Thank you for giving us the opportunity to respond to your questions on the FY 1994 transportation appropriations bill. We have attached a point-by-point response to each of the questions submitted to MTC Chair Jane Baker at the March 24 hearing before the House Appropriations Committee Subcommittee on Transportation.

Since the questions of the subcommittee appear to be directed at understanding how MTC plans to use discretionary funding, we have focused our responses on project specific information as it relates to the funding MTC is requesting from discretionary sources. In addition to seeking discretionary funding, MTC is advocating that the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) be funded to its full authorized levels. Through fully funding ISTEA, the San Francisco Bay Area will receive its normal formula transportation operating and capital funding established in federal law, which would be used for the ongoing operations and maintenance of our transportation systems. Discretionary funding, in contrast, is generally used for large, new capital projects and initiatives.

We appreciate the opportunity to clarify these important issues. If you or your staff wish further information, please feel free to contact me or our Washington D.C. representative Mr. Thomas J. Bulger at (202) 775-0074.

Sincerely,

William F. Hein
Deputy Executive Director

WFH/DT/dt

bc: Dahms
Bulger

Response to Questions Submitted to Public Witnesses
At the March 24 Hearing before the
House Transportation Appropriations Subcommittee

(1) What organization would be the recipient of the federal funds requested? MTC is requesting $155 million in Section 3 New Rail Starts funding. This amount is composed of the $100 million FY 1994 earmark for the San Francisco Bay Area authorized in ISTEA plus $55 million that makes up for the difference between the appropriated amount in FY 93 ($45 million) and the authorized amount of $100 million. Overall, ISTEA earmarks $568.5 million for Bay Area rail programs, and leaves the apportionment of payments to the Metropolitan Transportation Commission (MTC). The ultimate recipient agencies for these funds would the San Francisco Bay Area Rapid Transit System (BART) and the Santa Clara County Transit District (SCCTD), who are project sponsors of the two major Bay Area federally funded rail projects.

MTC is also seeking a $13 million Section 3 Bus discretionary grant for purposes of implementing the federal Americans with Disabilities Act. Various transit operators in the Bay Area would receive these funds. Attachment A to this document lists the project sponsors and funding amounts that comprise our Section 3 Bus discretionary grant request.

(2) How much funding are you requesting from this subcommittee for FY 1994? As discussed above, $155 million in Section 3 New Rail Starts funding and $13 million in Section 3 Bus funding. MTC also advocates for fully funding all the authorized programs under ISTEA. This would provide the Bay Area with funding through the normal federal highway and transit formula programs.

(3) What will these funds be used for? The $155 million in Section 3 New Rail Starts funding will be used to fund two projects in the Bay Area:

- A six mile, 3 station extension of BART from the new Colma station to the San Francisco Airport.

- A 12 mile light rail addition to Santa Clara County's Guadalupe light rail system known as the Tasman Corridor project.

The estimated breakdown of the $155 million is as follows:

Project	FY 1994 Funding Amount	Recipient	Purpose
BART Extension to the San Francisco Airport	$95 million	San Francisco Bay Area Rapid Transit	Final design, right-of-way, vehicle acquisition and construction
Tasman Corridor Project	$60 million	Santa Clara County Transit District	right-of-way, vehicle acquisition

Attachment A gives detailed information on proposed uses for the $13 million bus discretionary grant.

(4) Are you requesting any funds for non-construction purposes? If yes, what would these funds be used for? In addition to construction funding, funds will be used for several pre-construction activities. These include right-of-way purchase, final design and vehicle acquisition.

(5) What impact does this project have on our national transportation network, or any other federal purpose, which would justify the request for funds from this subcommittee?

- The $13 million Section 3 Bus discretionary grant will be used to implement the requirements of the Americans for Disabilities Act.

- The $155 million Section 3 New Rail Starts request will be used for two projects: The BART extension to the San Francisco Airport and the Tasman Corridor light rail project. The BART extension will serve a major international airport and a key gateway to the Pacific Rim, as well as provide added person carrying capacity along several highway routes proposed for the National Highway System (NHS). Similarly, the Tasman corridor project, an extension to the 20 mile Guadalupe light rail system, will connect routes proposed for the NHS.

As transit projects, all projects will help the Bay Area maintain compliance with the Federal Clean Air Act, while helping the economic vitality of the region.

(6) For FY 1993, what is the total amount of federal funds that this organization received, and what activities were funded by these amounts. The various funding projects and programs in the San Francisco Bay Area are programmed for approximately $2.9 billion in federal transportation funds in FY 93. These funds will be used for maintaining, operating and improving our roads, highways and transit systems. A complete summary of our federal program is provided in the 1993 Transportation Improvement Program submitted to the Federal Highway Administration and the Federal Transportation Administration on September 23, 1993.

In FY 1993, Congress earmarked $45 million in Section 3 New Rail Starts funding for the Bay Area. These funds are being used for construction of the BART Colma project and for final design of the Tasman project. To date, the Bay Area has obligated or has grant applications pending for $207.25 million of the $226.25 million in New Rail Starts funding earmarked by Congress.

(7) Has the project received federal funds in prior years? In what fiscal year were those funds received and in what amounts? For the projects we are seeking discretionary funding for in FY 1994, the following provides detailed information on prior year Section 3 New Rail Starts earmarks appropriated to the San Francisco Bay Area:

	FY 90	FY 91	FY 92	FY 93	Total
Earmarks	$28.50	$40.00	$112.75	$45.00	$226.25

USES OF EARMARKS

BART extension to Colma		11.65	70.05	42.3	124.00
BART extension to SF Airport			22.50		22.50
Tasman			12.75	48.00	60.75

Cumul. Balance	$28.50	$56.85	$64.30	$19.00(1)

(1) Funds will be used for project expenses in FY 94.

The Section 3 Bus discretionary projects shown in Attachment A have not received prior year funding.

(8) Will you be seeking additional funds from this subcommittee for this project in the future? Yes. ISTEA language commits up to $568.5 million to the San Francisco Bay Area rail program. If we are successful in receiving the $155 million we are request in FY 94, we will then seek the remaining $187.25 million in future years. We may also continue to seek grants for implementation of ADA.

(9) What is the total expected cost of the project? What percentage of the total cost of this project would be funded by the federal government? These two projects are part of MTC's $3.5 billion regional rail extension program. As previously reported to Congress (see FTA's 1992 report to Congress on Section 3 funding and New Rail Starts projects), this program links together six different rail extension projects. For example, the BART extension to the San Francisco Airport will extend into San Mateo County and provide service to that county. For this service, San Mateo County will pay a service fee to the BART district which will be used to fund three other, 100 percent locally funded BART extensions in the eastern part of the Bay Area. Through this and other linkages, the federal share of the overall rail extension program has been kept down to approximately 30 percent. Attachment B to this document is a map and funding summary of the regional rail program.

The following is project specific information for the two federally funded projects:

- The BART to San Francisco Airport project is estimated to cost $788 to $960 million depending upon locally advocated design and alignment options. The federal funding share of the lower cost estimate is 75 percent. Locally advocated design alternatives would be locally funded potentially reducing the federal share of the higher cost estimate to approximately 61 percent.

- The Tasman corridor light rail project is estimated to cost $480 million and would be 50 percent federally funded.

The $13 million Section 3 Bus discretionary grant is a 90 percent federal funded project.

(10) How much state, local, or private funds will be used for this project? For the BART to San Francisco Airport, approximately $197 to $369 million in state and local funds will be used depending upon locally advocated design options. For the Tasman corridor project, $240 million in state and local funds will be used. The Section 3 Bus discretionary grant will use $1.4 million in state/local funds. See attachment B for a detailed description of the non-federal funding for the San Francisco Bay Area's rail program.

(11) Are you seeking funds this year from any other federal source, or any other appropriations subcommittee for this project, or for any other project? We are seeking no other federal funds for the rail extension or ADA projects described above. As noted in our response to question #6, we are seeking up to $2.9 billion for literally hundreds of different transportation projects. Each project seeking federal funding in FY 93 is described in the Bay Area's 1993 Transportation Improvement Program.

(12) If the project for which you are seeking federal funds from this subcommittee is a highway project, where does it rank on the state's priority list? Not applicable.

(13) If the project is a transit project, does the general public in your area support the project? Yes. The rail projects we are seeking funding for have gone through the FTA Alternative Analysis, federal environmental review, and are included in the Regional Transportation Plan. Through all these processes, public input on mode selection, alignment, etc. has been extensive. Further, the public has readily shown its support by voting to increase Bay Area bridge toll rates and sales taxes to fund these projects. (See response to question # 14.)

(14) Has there been any public financing mechanisms initiated at the state and/or local level to help fund this project (highway or transit), such as a dedicated gas tax increase or a bond referendum? If so, please provide the specifics, and, in the case of any proposed bonding authority, please indicate the results of placing this project before the public. The Bay Area regional rail plan is over 70 percent locally funded. Some of the local sources approved by Bay Area voters are:

- San Mateo County voters approved an additional sales tax increase of 1/2 cent in 1988 for its commitments to the regional rail plan. A previously approved 1/2 cent county sales tax for transit purposes will help pay for the BART extension to the airport.

- Alameda County voters approved an additional sales tax increase of 1/2 cent in 1987 to help pay for the BART extensions in their county, which are part of the regional rail plan.

- Contra Costa County voters approved an additional 1/2 cent in 1987 to help pay for the BART extensions their county, which are part of the regional rail plan.

- Santa Clara County voters have approved up to a 1/2 cent increase in county sales taxes that will pay for the Tasman project in addition to other rail projects. A previously approved 1/2 cent county sales tax supports the operation of the existing transit system.

- In 1988, San Francisco voters similarly approved a 1/2 percent sales tax for transportation projects.

- In 1988, Bay Area voters approved an increase in Bay Area toll bridge rates to pay, in part, for the BART extensions. A previous increase in 1977 was also dedicated to transit capital improvements.

- Each of the nine counties in the MTC region has an additional 1/4 percent sales tax for transportation purposes.

- In addition to the sales tax increases above, all three counties that are part of the BART district (Alameda, Contra Costa and San Francisco) have a dedicated 1/2 cent sales tax to pay for BART operating expenses and capital costs. A portion of these funds also support AC Transit and SF Muni.

Besides locally approved revenue measures, in 1989 voters in the state of California approved a comprehensive transportation funding package that increased the state gas tax from nine cents to 18 cents over a period of time. The voters at the same time approved two bond programs that provide $2.9 billion for state rail programs. Funds from these state sources are part of the Bay Area's rail plan financing package.

Finally, MTC and BART entered into a unique joint project financing arrangement that establishes a financing agency for the purpose of issuing debt and raising funds for constructing BART extensions.

Attachment A

Section 3 Bus Discretionary Program and The Americans With Disabilities Act

The Metropolitan Transportation Commission and Bay Area transit operators request funding for the following Section 3 ADA-related projects to be funded out of the discretionary bus category. The total Section 3 Bus request is $12,958,221 for FY 1994.

FY 1994 Section 3 Discretionary Bus Program for the MTC Region ADA Implementation Projects (90% Federal/10% Local Match)

Congressional District	Operator	Project Description	Federal Share	Total Project Cost
MTC Region				
1, 3, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16		Regional ADA eligibility database for entire MTC region	$335,700	$373,000
Central Counties				
7, 9, 13	AC Transit	Fixed-route headsigns retrofit/loudspeaker system	$1,620,000	$1,800,000
7, 8, 9, 10, 12, 13	Alameda County (AC Transit, BART, LAVTA, Union City)	Ten paratransit vehicles and ADA computers and software	$867,816	$964,240
7, 10	CCCTA	Six paratransit vehicles and an ADA computerized scheduling system	$428,015	$475,572
10	LAVTA	ADA hardware and software for LAVTA	$47,250	$52,500
8, 12	S.F. Muni	Lease of Seattle Metro trolley coaches (18)	$431,017	$478,908
Southern Counties				
12, 14	SamTrans	Paratransit vehicles (28), ADA bus stop accessibility and a paratransit computer	$3,235,799	$3,595,332
13, 14, 15, 16	SCCTD	ADA bus stop improvements and sign replacements, paratransit vehicles (20)	$2,025,000	$2,250,000

Section 3 Bus Discretionary Program and The Americans With Disabilities Act

(continued)

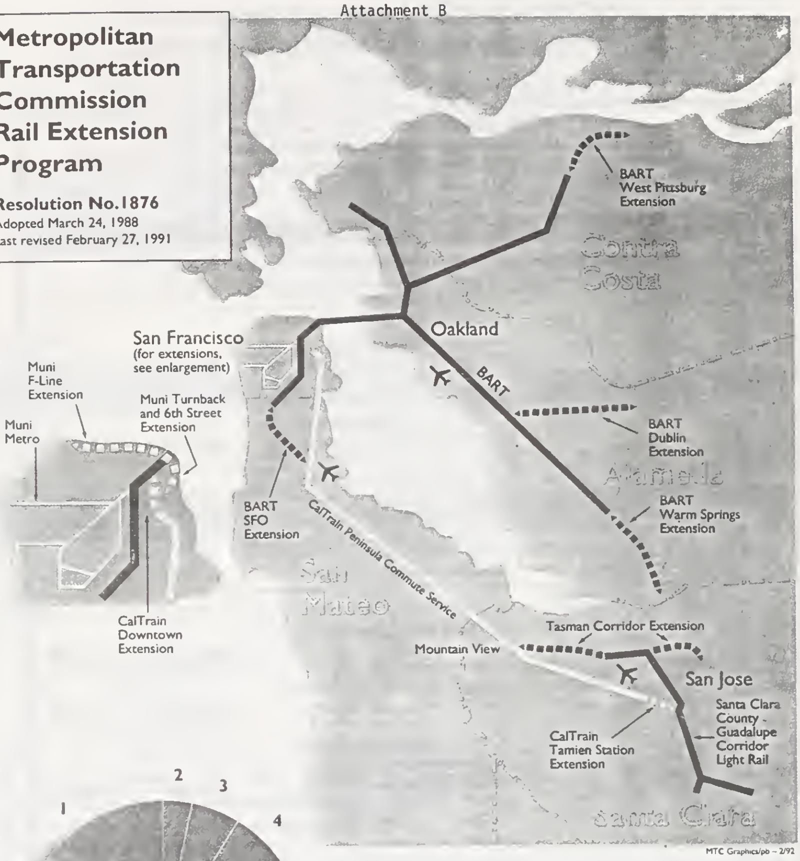
FY 1994 Section 3 Discretionary Bus Program for the MTC Region ADA Implementation Projects (90% Federal/10% Local Match)

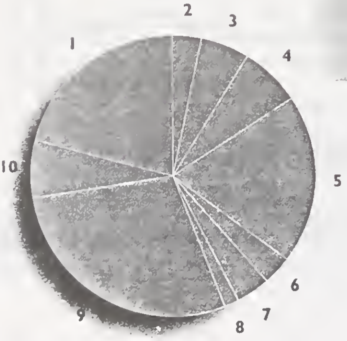
Congressional District	Operator	Project Description	Federal Share	Total Project Cost
Northern Counties				
1	Fairfield	Two paratransit vehicles/ two minivans, computer and scheduling program wheelchair ramps, bus shelters, bus hailing cards, and TDD/TTY phone system	$453,463	$503,848
6	Golden Gate	Nine expansion paratransit vehicles, and bus stop and transit facility improvements	$989,944	$1,099,938
1	Napa	Announcement system for sight-impaired passengers (for 16 buses)	$117,000	$130,000
6	Santa Rosa	Six paratransit vehicles and bus stop improvements	$306,000	$340,000
1, 6	Sonoma County Transit	Paratransit facility and five paratransit vehicles	$945,000	$1,050,000
7	Vallejo	Ten paratransit vehicles and paratransit radio/dispatch	$786,816	$874,240
1, 3	Vacaville	Three paratransit vehicles, ADA equipment for fixed-route buses	$225,000	$250,000
7	WestCAT	Three paratransit vehicles and related equipment	$144,401	$160,446
Totals				
			$12,958,221	$14,398,024

Attachment B

Metropolitan Transportation Commission Rail Extension Program

Resolution No.1876
Adopted March 24, 1988
Last revised February 27, 1991





Total Cost : $3,506.5 million

1	**State Funds**	$731.9 million *(20.9%)*
2	**BART**	$118.6 million *(3.4%)*
3	**Alameda County**	$194.7 million *(5.67%) (Under negotiation)*
4	**Contra Costa County**	$243.4 million *(6.9%)*
5	**San Mateo County**	$688.4 million *(19.6%)*
6	**Santa Clara County**	$116.0 million *(3.3%)*
7	**Bridge Tolls**	$134.0 million *(3.8%)*
8	**Unidentified**	$60.6 million *(1.7%)*
9	**Federal**	$986.8 million *(28.1%)*
10	**JPB Caltrain Funding**	$232.2 million *(6.6%)*

WEDNESDAY, MARCH 24, 1993.

HOOSIER HEARTLAND INDUSTRIAL CORRIDOR; FORT WAYNE INTERNATIONAL AIRPORT

WITNESSES

HON. JILL LONG, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

PAUL HELMKE, MAYOR, FORT WAYNE, IN

Mr. CARR. Mr. Foglietta, will you assume the Chair?

Mr. FOGLIETTA [assuming chair]. Yes. First of all, I would like to welcome our colleague, the Honorable Jill Long. We are happy to have you with us today. You are introducing Mayor Paul Helmke of the great city of Fort Wayne, Indiana.

Ms. Long.

Ms. LONG. Thank you, Mr. Chairman and Mr. Wolf.

I appreciate the opportunity to testify before this subcommittee today. In a minute I am going to introduce to you Mayor Paul Helmke of Fort Wayne, who has joined me in past years, and who is going to discuss our concerns regarding the Fort Wayne International Airport.

But first, I will discuss my concerns regarding the widening of U.S. 24 from Fort Wayne, Indiana to Lafayette, Indiana, a corridor that is commonly referred to as the Hoosier Heartland Industrial Corridor.

Mr. Chairman and members of the subcommittee, as you may know, the validity of widening U.S. 24 was recognized during the consideration of ISTEA. Specifically, the planned widening was included as one of the corridors of national significance outlined in the act and it was provided a 6-year $9.5 million authorization, of which $2.5 million has already been obligated.

The construction phase on some segments of the roadway will be ready to begin in the next fiscal year in 1994. Comparing the costs associated with the scheduled construction and the projected balance of Federal and State funds to be available at the end of fiscal year 1993, you will see that there is a considerable shortfall in the level of funds needed to continue this important project and continue it on schedule.

At the end of fiscal year 1993, there will be a balance of $6 million. However, the construction that is scheduled to begin during fiscal year 1994 is going to cost over $23 million and that leaves a $17 million shortfall.

It is encouraging to me to see this highway widening project advancing to the construction phase. At the same time, I am very much aware that this is a challenging prospect for the subcommittee when we take into account our Nation's current fiscal condition. I agree with the comments that Chairman Carr made earlier this year that many projects nationwide have been slow to expend the Federal resources provided. I wholeheartedly support the efforts of this committee to ensure that such projects are being developed in a timely and thoughtful manner.

With this in mind, I believe officials from the State of Indiana and the local governments along Route 24 have devoted the time and the resources to ensure that the completion of this worthy project is done in a cost-effective manner and have worked closely with Federal transportation officials. I am hopeful that you and other members of this subcommittee are as encouraged as I am and are able to make a determination in the near future that the U.S. 24 widening project is worthy and deserving of the Federal match necessary to continue the project.

Highway improvements to the Hoosier Heartland Industrial Corridor are very important for both safety and economic reasons. I hope that you will find it within your means to fully support the construction schedule of this critically important project. I must point out that over the last 10 to 15 years, because of a deteriorating highway, a two-lane highway that is curving and hilly, economic growth has suffered in the area. In addition to that, there are some very serious safety concerns.

I would certainly hope that the committee would continue to support this project. I believe it is an important part of infrastructure growth and development for the United States of America and not just for a section of northern Indiana.

I thank you very much for the opportunity to testify.

Ms. LONG. With that, I have the privilege of introducing to the committee once again Mayor Paul Helmke from the city of Fort Wayne, who also has a strong commitment to infrastructure development in our area to ensure economic growth.

Mr. FOGLIETTA. Thank you, Ms. Long.

Mayor?

Mayor HELMKE. Thank you.

I might just say that I am very active with the U.S. Conference of Mayors and we salute your efforts on behalf of the Urban Caucus, too. That is very important.

I want to thank the subcommittee for allowing me to testify again. The subcommittee in the past has placed the Fort Wayne International Airport on the FAA priority list, as it has happened for the last 4 years. We are very grateful for that past support and I think we are now seeing the light at the end of the tunnel in terms of fixing up our airport. I want to join Congresswoman Long and formally request that our airport be placed on the priority list again for fiscal year 1994.

Through the efforts of the subcommittee, we have started a number of constructive capital improvement projects to effectively manage the projected increase in the number of airport users. We do have an increase in users and additional assistance is going to be necessary to meet that need as well as meeting FAA mandated standards and continue the projects we started in the past.

At the present time, we have a few major projects which we would like to initiate during this calendar year, if funds are available. One project involves completing the reconstruction of the aircraft terminal parking ramp. Some of the pavement at the airport is more than 50 years old. This was originally a World War II airport. It is in very poor condition. Three of the five phases for the aircraft terminal parking ramp were recently provided assistance. The fourth stage of the project, the $1.2 million portion, would ensure the future safety of the airport and airport passengers. The final phase would then be ready to begin in fiscal year 1995.

The second project includes installation of automated security access system. That is another FAA mandate that would cost approximately $3.2 million.

Another project that could begin this calendar year is the construction of FAA-mandated taxiway guidance signs, which will cost an estimated $450,000.

Finally, we have a project that could begin in fiscal year 1994 which involves the development of airfield storm water detention, which would cost an estimated $1.885 million.

We do understand the constraints that face the committee. We're an important economic component in northeast Indiana and northwest Ohio. We have been very supportive locally of providing funds—property tax funds, local income tax funds—toward airport improvements. With this in mind, we would hope that the airport would remain on the FAA priority discretionary funding list to ensure our safe and efficient operation in the future.

With that, I thank you very much.

Mr. FOGLIETTA. Thank you very much.

Frank?

Mr. WOLF. Thank you, Mr. Chairman.

I welcome both of you.

Jill, would U.S. 24 be eligible for funding in the emergency stimulus package?

Ms. LONG. Yes, I believe it is.

Mr. WOLF. Was this one of the projects that your State put on the list of potential stimulus package projects?

Ms. LONG. If I understand it, but I want to verify it.

It is a high priority for the States—the highway project—but it is not a part of the stimulus package.

But the airport funding is part of the stimulus package.

Mr. WOLF. Thank you very much.

Ms. LONG. I would like to add something to the Mayor's testimony. He made the statement that we are now seeing the light at the end of the tunnel regarding major improvements to the airport. We have been on the priority list the last 4 years. When I first took office and visited the airport, you could rub your shoe across some of the pavement and it would crumble.

We have made substantial improvements. Major parts of the airport itself were actually closed because of problems with deterioration. We have made substantial improvements. Don't expect that we are even going to be making the request for priority consideration very many more years. Substantial progress has been made and it has been supported by the local community as well as by the Federal Government. We very much appreciate that.

Mr. FOGLIETTA. Thank you both for your testimony today.

[The prepared statements of the Hon. Long and Mayor Helmke follow:]

TESTIMONY OF CONGRESSWOMAN JILL LONG
4TH CONGRESSIONAL DISTRICT OF INDIANA
BEFORE THE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TRANSPORTATION
March 24, 1993

Mr. Chairman, I appreciate the opportunity to testify before this Subcommittee today. I wish to introduce Mayor Paul Helmke of Fort Wayne, who, as you may know, has joined me here in past years, and will discuss our concerns regarding the Fort Wayne International Airport. But first, I will discuss my concerns regarding the widening of U.S. 24 from Fort Wayne, Indiana, to Lafayette, Indiana -- a corridor commonly referred to as the Hoosier Heartland Industrial Corridor.

Mr. Chairman, Members of the Subcommittee, as you may know, the validity of widening U.S. 24 was recognized during the 102nd Congress with its authorization being included in the Intermodal Surface Transportation Efficiency Act (ISTEA) in 1991. Specifically, the planned widening was included as one of the Corridors of National Significance outlined in Section 1105 of the Act. The authorized level included in ISTEA was set at $9.5 million during the 6-year life of the Act, of which $2.5 million has already been obligated.

In addition, through the cooperation of this Subcommittee, the Hoosier Heartland Industrial Corridor has received more than $12 million since Fiscal Year (FY) 1989 for developing this project during the various preliminary stages of design, engineering, and land acquisition.

While funding made available in the past has certainly been helpful in developing this project, the construction phase on several segments of the roadway will be ready to begin next year, continuing through 1997. Comparing the costs associated with the scheduled construction phase and the projected balance of Federal and State funds to be available at the end of this fiscal year, one will find a considerable shortfall in the projected level of funds needed to continue this critically important project.

The Indiana Department of Transportation has informed me that by the end of this fiscal year, the balance of funds for this project, coupled with ISTEA obligations for FY 1994, will total just over $6 million. However, construction scheduled to begin during FY 1994 is expected to cost over $23 million, leaving a shortfall of more than $17 million. Needless to say, this shortfall will pose significant problems toward future construction, unless of course, a commitment is made which supports the construction schedule.

Mr. Chairman, it is encouraging to me to see the widening project advancing to the construction phase. At the same time, I am fully aware that this phase, and its coming to a reality in the very near future, is a challenging prospect for the Subcommittee when taking into account our nation's current fiscal condition. I also agree with the comments that Chairman Carr made earlier this year during previous Subcommittee deliberations that many projects nationwide have been slow to expend the

Federal resources provided, and that the development of others have been ineffective. I wholeheartedly support your efforts, and the efforts of Members of this Subcommittee, to ensure that such projects are being developed in a timely and thoughtful manner.

With this in mind, given the level of assistance provided thus far to develop the U.S. 24 widening project, I believe that officials from the State of Indiana and local governments along this route have devoted an inordinate amount of time and resources to ensure that the development and completion of this worthy project is done in an efficient and effective manner. I also am encouraged that State and local officials have been working closely with Federal transportation officials toward developing this project, and am confident that future efforts to develop this project will be as meaningful and cost-effective.

I am hopeful that you and the Members of this Subcommittee are as encouraged as I, and are able to make a determination in the near future that the U.S. 24 widening project is worthy and deserving of the Federal match necessary to continue the various phases of this project, including construction.

Mr. Chairman, during the last thirty years, the safety of motorists and the economy along U.S. 24 have suffered considerably from transportation shortcomings. As more four-lane roads and major interstates have been built, large highways have developed into the primary freight distribution networks throughout the country.

As the importance of railroads for hauling freight has waned, larger and more hazardous trucks have increasingly been utilized to transport freight. Along U.S. 24 to the west of Fort Wayne, larger and heavier vehicles must use the narrow, winding, two-lane roadways, if they use them at all.

While the cities of Fort Wayne and Lafayette continue to grow, the smaller cities and towns in between have been adversely affected by the inaccessibility created by poor roadways. The communities of this area -- composed of farms and factories -- are spread out over open countryside, which are connected primarily by a patchwork of underdeveloped, rural roads. The communities along this roadway have tried to promote economic development despite transportation inadequacies, and are often overlooked by companies because the region lacks modern transportation routes. As the roadway exists now, companies would have to be wary about the current inability to accommodate their transportation needs.

In addition to the economic concerns of these communities, safety along this route is another issue worth serious consideration. The current route is laden with hills and curves, which makes passing difficult and poses serious traffic hazards when slower-moving farm vehicles and semi-trailers use the road. The development of a proper transportation system is certain to increase safety for families, farmers, and other residents who must share the roadway with larger freight vehicles.

Mr. Chairman, Members of the Subcommittee, again, I fully understand the budget constraints confronting you during these tough economic times. However, highway improvements to the Hoosier Heartland Industrial Corridor are important safety and economic steps toward revitalizing a depressed area in rural Indiana, and are consistent with President Clinton's goals to increase investment in our nation's infrastructure. I respectfully request that the Subcommittee continue to work together with the State of Indiana and the cities and towns along this route on this critical project, and find it within your means to fully support the construction schedule of this critically important project.

In addition, for your further information, I have attached additional information regarding this highway project for inclusion in the record.

Again, thank you for the opportunity to testify today.

TESTIMONY OF MAYOR PAUL HELMKE
MAYOR OF FORT WAYNE, INDIANA
BEFORE THE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TRANSPORTATION
March 24, 1993

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to testify today.

This Subcommittee has wisely placed the Fort Wayne International Airport on the Federal Aviation Administration's (FAA) priority list for the past four consecutive years, and we are very grateful for that support. Today, I join Congresswoman Long to formally request that you place the airport on the priority list again for Fiscal Year 1994.

The Fort Wayne International Airport serves a population of more than a half million people, and contributes more than $100 million to the area's economy annually. Through the efforts of this Subcommittee, we have recently been able to begin constructive capital improvement projects. However, to effectively manage the projected increase in the number of airport users, additional assistance will be necessary to meet this need, as well as meeting FAA standards.

At the present time, the Fort Wayne International Airport has a few major projects which could be initiated during this calendar year if funds become readily available.

One such project involves completing the re-construction of the aircraft terminal parking ramp. Some of the pavement is more than 50 years old and in very poor condition. This project would also change the drainage flow so that de-icer products can be treated according to FAA standards. Three of the five phases were recently provided assistance. Providing assistance for the fourth stage of this project -- a $1.2 million portion of the total project -- would ensure the future safety of the airport and its passengers. The final phase will be ready to begin in Fiscal year 1995.

A second project includes the installation of the Automated Security Access System for the airport. This must be completed to meet FAA mandates, and will cost an estimated $3.2 million.

Another project that could begin this calendar year is the construction of an FAA mandated Guidance Sign. This project will cost an estimated $450,000.

Finally, a project that could begin in Fiscal Year 1994 involves the development of airfield storm water detention, which will cost an estimated $1,885,000.

Taking the projects together, the estimated discretionary funding needs that we foresee totals $5.9 million.

We fully understand the constraints that this Subcommittee is facing. However, Fort Wayne International Airport is an important economic component of northeast Indiana and northwest Ohio. In addition, local residents have been supportive of providing resources toward future airport improvements. With this in mind, I am hopeful that this airport in Indiana's second largest city will remain on the FAA's priority discretionary funding list to ensure the airport's safe and efficient operation in the future.

Thank you for the opportunity to testify and I appreciate your consideration of our request.

INDIANA DEPARTMENT OF TRANSPORTATION
100 North Senate Avenue
Room N755
Indianapolis, Indiana 46204-2249
(317) 232-5533 *FAX: (317) 232-0238*

EVAN BAYH, Governor
FREDERICK C. P'POOL, Commissioner

Writer's Direct Line:
(317)232-1476

March 17, 1993

The Honorable Bob Carr, Chairman
House Transportation Appropriations Subcommittee
2358 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Carr:

I ask your support for Congresswoman Jill Long's request for funding for the Hoosier Heartland Industrial Corridor project in the 1994 transportation appropriations act. This is a major highway construction project in Indiana which will result in a total reconstruction and four-lane upgrade of the route between Lafayette and Ft. Wayne, Indiana.

The Hoosier Heartland project was designated as a National Highway System High Priority Corridor in ISTEA. It has received several other General Fund and Highway Trust Fund appropriations in past years at the request of Congresswoman Long and former Congressman Jim Jontz.

This is a high priority project in our state. It has been included in our state program for several years, and enjoys widespread local support.

I would appreciate your assistance in continuing funding of this important project in our state.

Sincerely,

Frederick C. P'Pool

Frederick C. P'Pool

FCP/DEF/km

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HOOSIER HEARTLAND HIGHWAY SUMMARY

The following is a status report on the Indiana Industrial Corridor Safety Demonstration project (Hoosier Heartland).

Congress has appropriated $12,036,000 to date for the Hoosier Heartland Highway Project. To date $2,960,361 has been obligated for preliminary engineering and Right-of-Way leaving a balance available for $9,075,639.

For 1993 it is estimated that Right-of-Way needs will be $2,000,000 and construction needs will be $2,800,000. This will give us a projected balance at the end of FFY 93 of $4,275,639.

For 1994, ISTEA has authorized an additional $1,748,000 for this project and we are scheduled for $22,352,000 of construction and $1,000,000 in right-of-way. This would result in a shortfall of $17,328,361 in FFY 94.

Construction schedules for FFY 95 call for $112,129,000.

HOOSIER HEARTLAND TOTAL COSTRUCTION COST PER SEGMENT

	1993	1994	1995
From Logansport to Peru			
Segment I From SR 29 to just E of CR 325 E at Logansport			$ 9,938,000
Segment II From 0.057 Mi E of CR 325 E to CR 500 E			$23,151,000
Segment III From CR 500 E to 0.06 Mile NE of Existing US 24	$2,800,000	$12,900,000	
Segment IV From 0.06 Mile NE of Existing US 24 to Cass/Miami Co Line		$ 9,452,000	
Segment V From Cass/Miami Co Line to N Interchange of US 24 & US 31			$26,104,000
Total	$2,800,000	$22,352,000	$59,193,000
From Wabash to Huntington			
Segment I From SR 13 To Largo Rd, In Wabash Co			$11,971,000
Segment II From Largo Rd, to CR 600 E, 2.0 MI W of Huntington Co Line			$10,292,000
Segment III From CR 600 E in Wabash Co to Huntington Co Line			$ 6,965,000
Segment IV From Wabash Co Line to SR 105 E JCT in Huntington Co			$11,476,000
Segment V From SR 105 E JCT to SR 9/37			$12,232,000
Total			$52,936,000

PREPARED BY:
The Division of Policy & Budget
Scheduling Unit
January 20, 1993

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                                   HOOSIER HEARTLAND PROJECT UPDATE

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US-24      FROM LOGANSPORT TO PERU                                         Added Travel Lanes
           INCLUDES 5 ROAD SEGMENTS & 10 BRIDGES
 US       FROM SR 29 TO JUST EAST OF CR 325 E AT
 24       LOGANSPORT                              FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 9020320  ADDED TRAVEL LANES                  STP-146-4(    )          START.....................Apr 90  C
          Cass                                                         START PLAN DEVELOPMENT....Sep 91  C
                             -$$-Construction Funding-$$               RLANS TO RIGHT-OF-WAY.....Nov 92  C
                          Surface Trans Prog      $ 7,401              RIGHT-OF-WAY CLEAR........Jun 94
           4.000 MILE(S)  State Funds             $ 1,850              READY FOR LETTING.........Mar 95
          R/W CODE      ;# PARCELS                ------               LETTING...        ........Jun 95
                                                  $ 9,251              PROJECT COMPLETE..........Nov 97
          DESIGNER: Steve Nezovich                            CONSULTANT: Bonar & Associates, Inc.
          INCLUDES DES # 9120321                                DISTRICT:  Laporte

 US       EBL BRIDGE OVER SR 329, 0.6 MILE E OF
 24       SR 29                                   FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 9120321  BRIDGE RECONSTRUCTION               NH-146-4(    )           START.....................Apr 90  C
          Cass                                                         START PLAN DEVELOPMENT....Sep 91  C
                             -$$-Construction Funding-$$               RLANS TO RIGHT-OF-WAY.....Nov 92
                          National Highway        $    122             RIGHT-OF-WAY CLEAR........May 94
           0.000 MILE(S)  State Funds             $     31             READY FOR LETTING.........Mar 95
          R/W CODE      ;# PARCELS                ------               LETTING...        ........Jun 95
          35-09-4706                              $    153             PROJECT COMPLETE..........Nov 97
          DESIGNER: Hasmukh Patel                             CONSULTANT: Bonar & Associates, Inc.
          INCLUDED IN DES # 9020320                             DISTRICT:  Laporte

 US       WBL BRIDGE OVER SR 329, 0.6 MILE E OF
 24       SR 29                                   FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 9120322  BRIDGE CONSTRUCTION                 NH-146-4(    )           START.....................Apr 90  C
          Cass                                                         START PLAN DEVELOPMENT....Sep 91  C
                             -$$-Construction Funding-$$               RLANS TO RIGHT-OF-WAY.....Nov 92
                          National Highway        $    427             RIGHT-OF-WAY CLEAR........May 94
           0.000 MILE(S)  State Funds             $    107             READY FOR LETTING.........Mar 95
          R/W CODE      ;# PARCELS                ------               LETTING...        ........Jun 95
          35-09-7795                              $    534             PROJECT COMPLETE..........Nov 97
          DESIGNER: Hasmukh Patel                             CONSULTANT: Bonar & Associates, Inc.
          INCLUDED IN DES # 9020320                             DISTRICT:  Laporte


                   ***TOTAL FOR ABOVE SEGMENT***        $ 9,938

 US       FROM 0.057 MILE E OF CR 325 E TO
 24       CR 500 E                                FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 7302253  ROAD RELOCATION                     NH-144-6(    )           START.....................Jan 76  C
          Cass                                                         START PLAN DEVELOPMENT....Apr 89  C
                             -$$-Construction Funding-$$               RLANS TO RIGHT-OF-WAY.....Sep 93
                          National Highway        $12,240              RIGHT-OF-WAY CLEAR........Mar 95
           3.000 MILE(S)  S H R C I F             $ 3,060              READY FOR LETTING.........Mar 95
          R/W CODE      ;# PARCELS                ------               LETTING...        ........Jun 95
                                                  $15,300              PROJECT COMPLETE..........Nov 97
          DESIGNER: Steve Nezovich                            CONSULTANT: Floyd E. Burroughs & Assoc.
          INCLUDES DES #'S 8902258, 8902259, 920225A, B, & C  DISTRICT:  Laporte
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                                   HOOSIER HEARTLAND PROJECT UPDATE

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US-24      FROM LOGANSPORT TO PERU                                  Road Construction
           INCLUDES 5 ROAD SEGMENTS & 10 BRIDGES
 US       US 24 OVER CR 325E
 24                                              FY FOR FUNDING 95   -*-*-KEY ACTIVITY SCHEDULE-*-*-
 920225A  BRIDGE RECONSTRUCTION              NH-144-6(   )          START.....................Jan 76  C
          Cass                                                      START PLAN DEVELOPMENT....Apr 89  C
                             -$$-Construction Funding-$$            RLANS TO RIGHT-OF-WAY.....
                           National Highway       $   960           RIGHT-OF-WAY CLEAR........Mar 95
           0.000 MILE(S)   S H R C I F            $   240           READY FOR LETTING.........Mar 95
          R/W CODE      ;# PARCELS                 ------           LETTING...        ........Jun 95
          24-09-7801                              $ 1,200           PROJECT COMPLETE..........Nov 97
          DESIGNER: Hasmukh Patel                                CONSULTANT: Floyd E. Burroughs & Assoc.
          INCLUDED IN DES # 7302253                                DISTRICT:  Laporte

 US       US 24 OVER US 35
 24                                              FY FOR FUNDING 95   -*-*-KEY ACTIVITY SCHEDULE-*-*-
 920225B  BRIDGE RECONSTRUCTION              NH-144-6(   )          START.....................Jan 76  C
          Cass                                                      START PLAN DEVELOPMENT....Apr 89  C
                             -$$-Construction Funding-$$            RLANS TO RIGHT-OF-WAY.....
                           National Highway       $ 1,840           RIGHT-OF-WAY CLEAR........Mar 95
           0.000 MILE(S)   S H R C I F            $   460           READY FOR LETTING.........Mar 95
          R/W CODE      ;# PARCELS                 ------           LETTING...        ........Jun 95
          24-09-7800                              $ 2,300           PROJECT COMPLETE..........Nov 97
          DESIGNER: Hasmukh Patel                                CONSULTANT: Floyd E. Burroughs & Assoc.
          INCLUDED IN DES # 7302253                                DISTRICT:  Laporte

 US       BRIDGE RAMP, US 24 TO US 35 OVER
 24       CONRAIL RAILROAD                       FY FOR FUNDING 95   -*-*-KEY ACTIVITY SCHEDULE-*-*-
 920225C  BRIDGE RECONSTRUCTION              NH-144-6(   )          START.....................Jan 76  C
          Cass                                                      START PLAN DEVELOPMENT....Apr 89  C
                             -$$-Construction Funding-$$            RLANS TO RIGHT-OF-WAY.....
                           National Highway       $   601           RIGHT-OF-WAY CLEAR........Mar 93
           0.000 MILE(S)   S H R C I F            $   150           READY FOR LETTING.........Mar 93
          R/W CODE      ;# PARCELS                 ------           LETTING...        ........Jun 95
          24-09-2648                              $   751           PROJECT COMPLETE..........Nov 96
          DESIGNER: Hasmukh Patel                                CONSULTANT: Floyd E. Burroughs & Assoc.
          INCLUDED IN DES # 7302253                                DISTRICT:  Laporte

 US       US 24 OVER CONRAIL RAILROAD
 24                                              FY FOR FUNDING 95   -*-*-KEY ACTIVITY SCHEDULE-*-*-
 8902258  BRIDGE CONSTRUCTION                NH-144-6(   )          START.....................Jan 76  C
          Cass                                                      START PLAN DEVELOPMENT....Apr 89  C
                             -$$-Construction Funding-$$            RLANS TO RIGHT-OF-WAY.....
                           National Highway       $ 1,440           RIGHT-OF-WAY CLEAR........Mar 95
           0.000 MILE(S)   S H R C I F            $   360           READY FOR LETTING.........Mar 95
          R/W CODE      ;# PARCELS                 ------           LETTING...        ........Jun 95
          24-09-2635 EB & WB                      $ 1,800           PROJECT COMPLETE..........Nov 97
          DESIGNER: Hasmukh Patel                                CONSULTANT: Floyd E. Burroughs & Assoc.
          INCLUDED IN DES # 7302253                                DISTRICT:  Laporte
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                          HOOSIER HEARTLAND PROJECT UPDATE

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US-24     FROM LOGANSPORT TO PERU                               Road Construction
          INCLUDES 5 ROAD SEGMENTS & 10 BRIDGES
 US      US 24 OVER MINNOW CREEK
 24                                         FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 8902259 BRIDGE CONSTRUCTION             NH-144-6(    )         START.....................Jan 76  C
         Cass                                                   START PLAN DEVELOPMENT....Apr 89  C
                        -$$-Construction Funding-$$             RLANS TO RIGHT-OF-WAY.....
                     National Highway       $ 1,440             RIGHT-OF-WAY CLEAR........Mar 95
          0.000 MILE(S)    S H R C I F      $   360             READY FOR LETTING.........Mar 95
         R/W CODE      ;# PARCELS             ------            LETTING...       .........Jun 95
         24-09-7599                         $ 1,800             PROJECT COMPLETE..........Nov 97
         DESIGNER: Hasmukh Patel                         CONSULTANT: Floyd E. Burroughs & Assoc.
         INCLUDED IN DES # 7302253                         DISTRICT:  Laporte


                 ***TOTAL FOR ABOVE SEGMENT***       $23,151

 US      FROM CR 500 E TO 0.06 MILE NE OF
 24      EXISTING US 24                     FY FOR FUNDING 94    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 7302311 ROAD RELOCATION                 NH-146-5(    )         START.....................Jan 76  C
         Cass                                                   START PLAN DEVELOPMENT....Apr 89  C
                        -$$-Construction Funding-$$             RLANS TO RIGHT-OF-WAY.....May 90  C
                     National Highway       $10,320             RIGHT-OF-WAY CLEAR........Aug 93
          5.600 MILE(S)    S H R C I F      $ 2,580             READY FOR LETTING.........May 94
         R/W CODE  2680;# PARCELS 074         ------            LETTING...       .........Aug 94
                                            $12,900             PROJECT COMPLETE..........Nov 95
         DESIGNER: Steve Nezovich                        CONSULTANT: American Consulting Engineers, Inc.
         INCLUDES DES # 8902312                            DISTRICT:  Laporte

 US      US 24 OVER THE WABASH RIVER
 24                                         FY FOR FUNDING 93    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 8902312 BRIDGE CONSTRUCTION             NH-146-5(    )         START.....................Jan 76  C
         Cass                                                   START PLAN DEVELOPMENT....Apr 89  C
                        -$$-Construction Funding-$$             RLANS TO RIGHT-OF-WAY.....
                     National Highway       $ 2,240             RIGHT-OF-WAY CLEAR........Feb 93
          0.000 MILE(S)    S H R C I F      $   560             READY FOR LETTING.........Mar 93
         R/W CODE      ;# PARCELS             ------            LETTING...       .........Jun 93
         24-09-7600                         $ 2,800             PROJECT COMPLETE..........Nov 94
         DESIGNER: Hasmukh Patel                         CONSULTANT: American Consulting Engineers, Inc.
         INCLUDED IN DES # 8902311                         DISTRICT:  Laporte


                 ***TOTAL FOR ABOVE SEGMENT***       $15,700
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                              HOOSIER HEARTLAND PROJECT UPDATE

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US-24     FROM LOGANSPORT TO PERU ;                              Road Construction
          INCLUDES 5 ROAD SEGMENTS & 10 BRIDGES
 US      FROM 0.06 MILE NE OF EXISTING US 24 TO
 24      CASS/MIAMI COL                       FY FOR FUNDING 94    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 7302481 ROAD RELOCATION                  NH-144-6(   )          START......................Jan 76  C
         Cass                                                    START PLAN DEVELOPMENT....Apr 89  C
                       -$$-Construction Funding-$$               RLANS TO RIGHT-OF-WAY.....May 92  C
                     National Highway        $ 5,540             RIGHT-OF-WAY CLEAR........Jan 94
           .700 MILE(S)    S H R C I F       $ 1,385             READY FOR LETTING.........Feb 94
         R/W CODE      ;# PARCELS             ------             LETTING...        ........May 94
                                             $ 6,925             PROJECT COMPLETE..........Nov 94
         DESIGNER: Steve Nezovich                          CONSULTANT: Boyd E. Phelps, Inc.
         INCLUDES DES # 8902482                              DISTRICT:  Laporte

 US      US 24 OVER THE NORFOLK & SOUTHERN RR
 24                                           FY FOR FUNDING 94    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 8902482 BRIDGE REPLACEMENT               NH-144-6(   )          START......................Jan 76  C
         Cass                                                    START PLAN DEVELOPMENT....Apr 89  C
                       -$$-Construction Funding-$$               RLANS TO RIGHT-OF-WAY.....
                     National Highway        $ 2,022             RIGHT-OF-WAY CLEAR........Jan 94
          0.000 MILE(S)    S H R C I F       $   505             READY FOR LETTING.........Feb 94
         R/W CODE      ;# PARCELS             ------             LETTING...        ........May 94
         24-09-2636                          $ 2,527             PROJECT COMPLETE..........Nov 94
         DESIGNER: Hasmukh Patel                           CONSULTANT: Boyd E. Phelps, Inc.
         INCLUDED IN DES # 7302481                           DISTRICT:  Laporte


                 ***TOTAL FOR ABOVE SEGMENT***       $ 9,452

 US      FROM CASS/MIAMI COL TO N INTERCHANGE
 24      OF US 24 AND US 31                   FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 7302471 ROAD RELOCATION                  NH-144-6(   )          START......................Jan 76  C
         Miami                                                   START PLAN DEVELOPMENT....Apr 89  C
                       -$$-Construction Funding-$$               RLANS TO RIGHT-OF-WAY.....May 92  C
                     National Highway        $19,598             RIGHT-OF-WAY CLEAR........Feb 95
          2.100 MILE(S)    S H R C I F       $ 4,899             READY FOR LETTING.........Mar 95
         R/W CODE      ;# PARCELS             ------             LETTING...        ........Jun 95
                                             $24,497             PROJECT COMPLETE..........Nov 97
         DESIGNER: Steve Nezovich                          CONSULTANT: Boyd E. Phelps, Inc.
         INCLUDES DES # 8902474                              DISTRICT:  Laporte

 US      US 24 OVER US 31
 24                                           FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 8902474 BRIDGE CONSTRUCTION              NH-144-6(   )          START......................Jan 76  C
         Miami                                                   START PLAN DEVELOPMENT....Apr 89  C
                       -$$-Construction Funding-$$               RLANS TO RIGHT-OF-WAY.....
                     National Highway        $ 1,286             RIGHT-OF-WAY CLEAR........Feb 95
          0.000 MILE(S)    S H R C I F       $   321             READY FOR LETTING.........Mar 95
         R/W CODE      ;# PARCELS             ------             LETTING...        ........Jun 95
         24-52-6597B&J                       $ 1,607             PROJECT COMPLETE..........Nov 97
         DESIGNER: Hasmukh Patel                           CONSULTANT: Boyd E. Phelps, Inc.
         INCLUDED IN DES # 7302471                           DISTRICT:  Laporte
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HOOSIER HEARTLAND PROJECT UPDATE

US-24	FROM LOGANSPORT TO PERU INCLUDES 5 ROAD SEGMENTS & 10 BRIDGES		Road Construction
	TOTAL FOR ABOVE SEGMENT	$26,104	
	TOTAL FOR FROM LOGANSPORT TO PERU	$ 84,345 =======	

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                              HOOSIER HEARTLAND PROJECT UPDATE

          1/21/93                                                       Page  6
---------------------------------------------------------------------------------------
US-24     FROM WABASH TO HUNTINGTON                            Road Construction
          INCLUDES 5 ROAD SEGMENTS & 6 BRIDGES
 US       FROM SR 13 TO LAGRO RD, 3.5 MILES E OF
 24       SR 13 IN WABASH CO, SECTION I          FY FOR FUNDING 95   -*-*-KEY ACTIVITY SCHEDULE-*-*-
 7200430  ROAD RELOCATION                     NH-146-0(   )          START.....................May 88  C
          Wabash                                                     START PLAN DEVELOPMENT....Nov 89  C
                         -$$-Construction Funding-$$                 RLANS TO RIGHT-OF-WAY.....Apr 91  C
                       National Highway       $ 8,112                RIGHT-OF-WAY CLEAR........Jan 95
           3.500 MILE(S)   S H R C I F        $ 2,028                READY FOR LETTING.........Feb 95
          R/W CODE  2718;# PARCELS 030          ------               LETTING...        ........May 95
                                              $10,140                PROJECT COMPLETE..........Nov 96
          DESIGNER: Steve Nezovich                            CONSULTANT: American Consulting Engineers, Inc.
          INCLUDES DES #'S 8900431 AND 8900432                 DISTRICT:  Fort Wayne

 US       BRIDGE OVER CONRAIL RAILROAD, 0.27
 24       MILE E OF SR 13                        FY FOR FUNDING 95   -*-*-KEY ACTIVITY SCHEDULE-*-*-
 8900431  BRIDGE CONSTRUCTION                 NH-146-0(   )          START.....................May 88  C
          Wabash                                                     START PLAN DEVELOPMENT....Nov 89  C
                         -$$-Construction Funding-$$                 RLANS TO RIGHT-OF-WAY.....
                       National Highway       $   823                RIGHT-OF-WAY CLEAR........Jan 95
           0.000 MILE(S)   S H R C I F        $   206                READY FOR LETTING.........Feb 95
          R/W CODE  2718;# PARCELS              ------               LETTING...        ........May 95
          24-85-2632                          $ 1,029                PROJECT COMPLETE..........Nov 96
          DESIGNER: Hasmukh Patel                             CONSULTANT: American Consulting Engineers, Inc.
          INCLUDED IN DES # 7200430                            DISTRICT:  Fort Wayne

 US       BRIDGE OVER ENYEART CREEK, 1.45 MILES
 24       E OF SR 13                             FY FOR FUNDING 95   -*-*-KEY ACTIVITY SCHEDULE-*-*-
 8900432  BRIDGE CONSTRUCTION                 NH-146-0(   )          START.....................May 88  C
          Wabash                                                     START PLAN DEVELOPMENT....Nov 89  C
                         -$$-Construction Funding-$$                 RLANS TO RIGHT-OF-WAY.....
                       National Highway       $   642                RIGHT-OF-WAY CLEAR........Jan 95
           0.000 MILE(S)   S H R C I F        $   160                READY FOR LETTING.........Feb 95
          R/W CODE  2718;# PARCELS              ------               LETTING...        ........May 95
          24-85-7587                          $   802                PROJECT COMPLETE..........Nov 96
          DESIGNER: Hasmukh Patel                             CONSULTANT: American Consulting Engineers, Inc.
          INCLUDED IN DES # 7200430                            DISTRICT:  Fort Wayne


                 ***TOTAL FOR ABOVE SEGMENT***        $11,971

 US       FROM LARGO RD 3.5 MILES E OF SR 13 TO
 24       CR 600 E 2.0 MILES W OF HUNTINGTON COL FY FOR FUNDING 95   -*-*-KEY ACTIVITY SCHEDULE-*-*-
 8900433  ROAD RELOCATION                     NH-146-0(   )          START.....................May 88  C
          Wabash                                                     START PLAN DEVELOPMENT....Nov 89  C
                         -$$-Construction Funding-$$                 RLANS TO RIGHT-OF-WAY.....Dec 90  C
                       National Highway       $ 6,468                RIGHT-OF-WAY CLEAR........Oct 94
           3.100 MILE(S)   S H R C I F        $ 1,617                READY FOR LETTING.........Nov 94
          R/W CODE  2719;# PARCELS 013          ------               LETTING...        ........Feb 95
          SECTION II                          $ 8,085                PROJECT COMPLETE..........Nov 95
          DESIGNER: Steve Nezovich                            CONSULTANT: Beam Longest & Neff, Inc.
          INCLUDES DES #'S 8900434 AND 8900436                 DISTRICT:  Fort Wayne
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                              HOOSIER HEARTLAND PROJECT UPDATE

           1/21/93                                                              Page  7
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US-24     FROM WABASH TO HUNTINGTON                                  Road Construction
          INCLUDES 5 ROAD SEGMENTS & 6 BRIDGES
 US      BRIDGE OVER LARGO CREEK, APPROX 4.1
 24      MILES E OF SR 13                          FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
8900434  BRIDGE CONSTRUCTION               NH-146-0(   )             START.....................May 88  C
         Wabash                                                      START PLAN DEVELOPMENT....Nov 89  C
                            -$$-Construction Funding-$$              RLANS TO RIGHT-OF-WAY.....
                          National Highway        $ 1,201            RIGHT-OF-WAY CLEAR........Oct 94
          0.000 MILE(S)   S H R C I F             $   301            READY FOR LETTING.........Nov 94
         R/W CODE  2719;# PARCELS                  ------            LETTING...        ........Feb 95
         24-85-7588                               $ 1,502            PROJECT COMPLETE..........Nov 95
         DESIGNER: Hasmukh Patel                              CONSULTANT: Beam Longest & Neff, Inc.
         INCLUDED IN DES # 8900433                              DISTRICT:  Fort Wayne

 US      BRIDGE OVER RAGER CREEK, APPROX 2.5
 24      MILES W OF THE HUNTINGTON COL             FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
8900436  BRIDGE CONSTRUCTION               NH-146-0(   )             START.....................May 88  C
         Wabash                                                      START PLAN DEVELOPMENT....Nov 89  C
                            -$$-Construction Funding-$$              RLANS TO RIGHT-OF-WAY.....
                          National Highway        $   564            RIGHT-OF-WAY CLEAR........Oct 94
          0.000 MILE(S)   S H R C I F             $   141            READY FOR LETTING.........Nov 94
         R/W CODE  2719;# PARCELS                  ------            LETTING...        ........Feb 95
         24-85-7589                               $   705            PROJECT COMPLETE..........Nov 95
         DESIGNER: Steve Nezovich                             CONSULTANT: Beam Longest & Neff, Inc.
         INCLUDED IN DES # 8900433                              DISTRICT:  Fort Wayne


                   ***TOTAL FOR ABOVE SEGMENT***       $10,292

 US      CR 600 E IN WABASH CO 2.0 MILES W OF
 24      COL TO HUNTINGTON COL, SECTION III        FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
8900437  ROAD RELOCATION                   NH-146-0(   )             START.....................May 88  C
         Wabash                                                      START PLAN DEVELOPMENT....Nov 89  C
                            -$$-Construction Funding-$$              RLANS TO RIGHT-OF-WAY.....Dec 90  C
                          National Highway        $ 5,572            RIGHT-OF-WAY CLEAR........Oct 94
          2.050 MILE(S)   S H R C I F             $ 1,393            READY FOR LETTING.........Nov 94
         R/W CODE  2720;# PARCELS 013              ------            LETTING...        ........Feb 95
                                                  $ 6,965            PROJECT COMPLETE..........Nov 96
         DESIGNER: Steve Nezovich                             CONSULTANT: Bernadin, Lochmueller & Assoc., Inc.
                                                                DISTRICT:  Fort Wayne


                   ***TOTAL FOR ABOVE SEGMENT***       $ 6,965
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                                  HOOSIER HEARTLAND PROJECT UPDATE

            1/21/93                                                                  Page  8
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US-24      FROM WABASH TO HUNTINGTON                                  Road Construction
           INCLUDES 5 ROAD SEGMENTS & 6 BRIDGES
 US       FROM WABASH COL TO SR 105 E JCT IN
 24       HUNTINGTON CO, SECTION IV                FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 8900438  ROAD RELOCATION                        NH-146-0(    )         START.....................May 88  C
          Huntington                                                    START PLAN DEVELOPMENT....Nov 89  C
                         -$$-Construction Funding-$$                    RLANS TO RIGHT-OF-WAY.....Jan 91  C
                       National Nighway        $ 9,181                  RIGHT-OF-WAY CLEAR........Jan 95
           2.520 MILE(S)    S N R C I F        $ 2,295                  READY FOR LETTING.........Feb 95
          R/W CODE  2721;# PARCELS 028          ------                  LETTING...        ........May 95
                                               $11,476                  PROJECT COMPLETE..........Nov 96
          DESIGNER: Steve Nezovich                              CONSULTANT: Lawson-Fisher Associates, Inc.
                                                                  OISTRICT:  Fort Wayne


                  ***TOTAL FOR ABOVE SEGMENT***        $11,476

 US       FROM SR 105 E JCT TO SR 9/SR 37
 24       SECTION V                                FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 8900439  ROAD RELOCATION                        NH-146-0(    )         START.....................May 88  C
          Huntington                                                    START PLAN DEVELOPMENT....Nov 89  C
                         -$$-Construction Funding-$$                    RLANS TO RIGHT-OF-WAY.....Sep 91  C
                       National Highway        $ 8,762                  RIGHT-OF-WAY CLEAR........Dec 94
           4.020 MILE(S)    S H R C I F        $ 2,190                  READY FOR LETTING.........Jan 95
        . R/W CODE  2722;# PARCELS 029          ------                  LETTING...        ........Apr 95
                                               $10,952                  PROJECT COMPLETE..........Nov 96
          DESIGNER: Steve Nezovich                              CONSULTANT: Butler, Fairman & Seufert, Inc.
          INCLUDES OES #'S 8900441 AND 8900442                    DISTRICT:  Fort Wayne

 US       BRIDGE OVER CLEAR CREEK
 24                                                FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 8900441  8RIDGE CONSTRUCTION                    NH-146-0(    )         START.....................May 88  C
          Huntington                                                    START PLAN DEVELOPMENT....Nov 89  C
                         -$$-Construction Funding-$$                    RLANS TO RIGHT-OF-WAY.....
                       National Highway        $   424                  RIGHT-OF-WAY CLEAR........Dec 94
           0.000 MILE(S)    S H R C I F        $   106                  READY FOR LETTING.........Jan 95
          R/W CODE  2722;# PARCELS              ------                  LETTING...        ........Apr 95
          24-35-7590                           $   530                  PROJECT COMPLETE..........Nov 95
          DESIGNER: Hasmukh Patel                               CONSULTANT: Butler, Fairman & Seufert, Inc.
          INCLUDED IN DES # 8900439                               DISTRICT:  Fort Wayne

 US       BRIDGE OVER SILVER CREEK
 24                                                FY FOR FUNDING 95    -*-*-KEY ACTIVITY SCHEDULE-*-*-
 8900442  BRIOGE CONSTRUCTION                    NH-146-0(    )         START.....................May 88  C
          Huntington                                                    START PLAN DEVELOPMENT....Nov 89  C
                         -$$-Construction Funding-$$                    RLANS TO RIGHT-OF-WAY.....
                       National Highway        $   600                  RIGHT-OF-WAY CLEAR........Dec 94
           0.000 MILE(S)    S H R C I F        $   150                  READY FOR LETTING.........Jan 95
          R/W CODE  2722;# PARCELS              ------                  LETTING...        ........Apr 95
          24-35-7591                           $   750                  PROJECT COMPLETE..........Nov 95
          DESIGNER: Hasmukh Patel                               CONSULTANT: Butler, Fairman & Seufert, Inc.
          INCLUDED IN DES # 8900439                               DISTRICT:  Fort Wayne
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US-24      FROM WABASH TO HUNTINGTON                                  Road Construction
           INCLUDES 5 ROAD SEGMENTS & 6 BRIDGES

                 ***TOTAL FOR ABOVE SEGMENT***        $12,232


   TOTAL FOR FROM WABASH TO HUNTINGTON               $ 52,936
                                                      =======
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INDIANA DEPARTMENT OF TRANSPORTATION
DEMONSTRATION PROJECTS
FUNDING BREAKDOWN

PROJECT: HOOSIER HEARTLAND CORRIDOR - US 24 LAFAYETTE TO FT. WAYNE

APPROPRIATION CODE: 503
INDUSTRIAL CORRIDOR

CURRENT AUTHORIZATIONS

LEGISLATION	FISCAL YEAR	FUNDING SOURCE	AVAILABLE AMOUNT	AMOUNT SPENT	BALANCE AVAILABLE
1988 APPROPRIATION	1989	GENERAL FUND	$1,000,000 (2)	$1,000,000	$0
1989 APPROPRIATION	1990	GENERAL FUND	2,378,000 (2)	722,836	1,655,164
1990 APPROPRIATION	1991	GENERAL FUND	2,550,000 (3)	1,237,525	1,312,475
1991 ISTEA (1)	1992	TRUST FUND	760,000	0	$760,000
1991 APPROPRIATION	1992	GENERAL FUND	3,600,000 (3)	0	3,600,000
1991 ISTEA	1993	TRUST FUND	1,748,000	0	1,748,000
TOTAL			$12,036,000	$2,960,361	$9,075,639

(1) TOTAL 6 YEAR AUTHORIZATION IS $9,500,000. 8% AVAILABLE FIRST YEAR, 18.4% EACH YEAR THEREAFTER.
(2) WABASH TO HUNTINGTON SEGMENT ONLY.
(3) LOGANSPORT TO PERU SEGMENT ONLY.

FUTURE AUTHORIZATIONS

LEGISLATION	FISCAL YEAR	FUNDING SOURCE	AVAILABLE AMOUNT
1991 ISTEA	1994	TRUST FUND	$1,748,000
1991 ISTEA	1995	TRUST FUND	1,748,000
1991 ISTEA	1996	TRUST FUND	1,748,000
1991 ISTEA	1997	TRUST FUND	1,748,000
TOTAL			$6,992,000

TOTAL CURRENT PLUS FUTURE AUTHORIZATIONS	$16,067,639

HOOSIER HEARTLAND INDUSTRIAL CORRIDOR

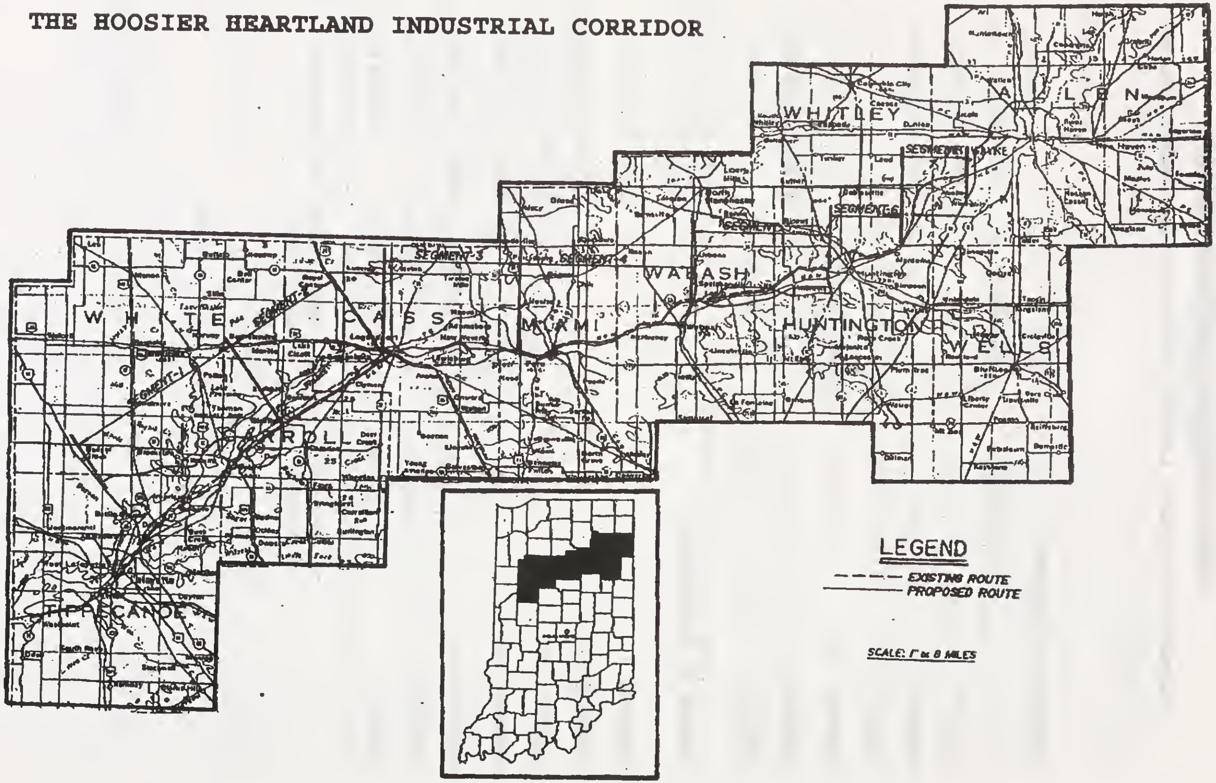
Segment-by-Segment Letting Readiness and Federal Match*

Logansport to Peru

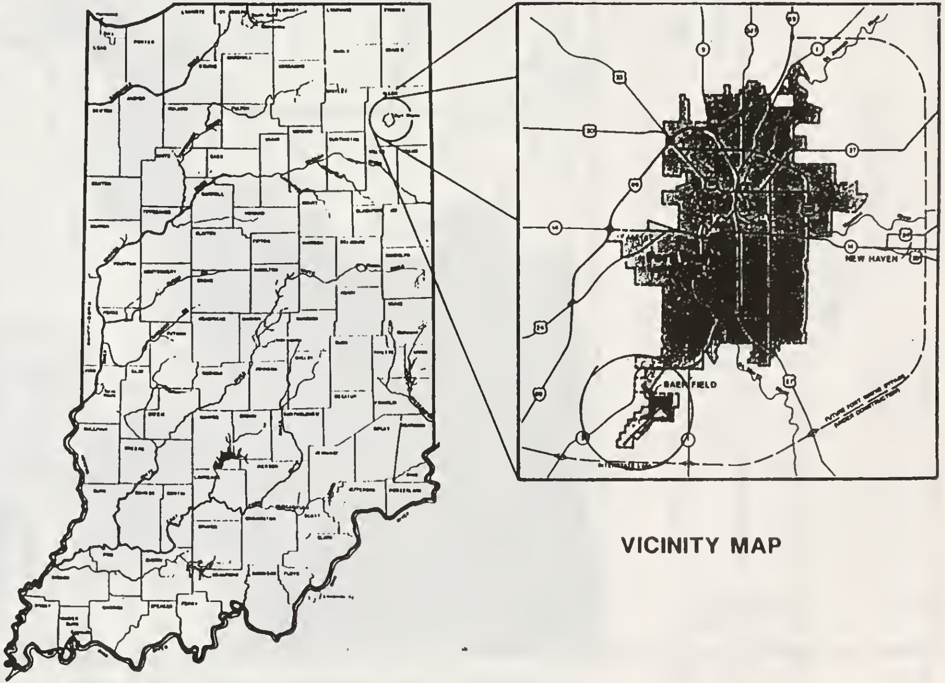
	FY 1993	FY 1994	FY 1995
Segment I			3/95 (7.795**)
Segment II			3/95 (18.521)
Segment III	3/93 (2.24)	5/94 (10.32)	
Segment IV		2/94 (7.562)	
Segment V			3/95 (20.884)
Subtotal	2.24	17.882	47.200
Wabash to Huntington			
Segment I			2/95 (9.577)
Segment II			11/94 (8.233)
Segment III			11/94 (5.572)
Segment IV			2/95 (9.181)
Segment V			1/95 (9.786)
Subtotal	0	17.882	42.349
TOTAL	**2.24**	**17.882**	**89.549**

* source: Indiana Department of Transportation
** Federal match in millions

THE HOOSIER HEARTLAND INDUSTRIAL CORRIDOR



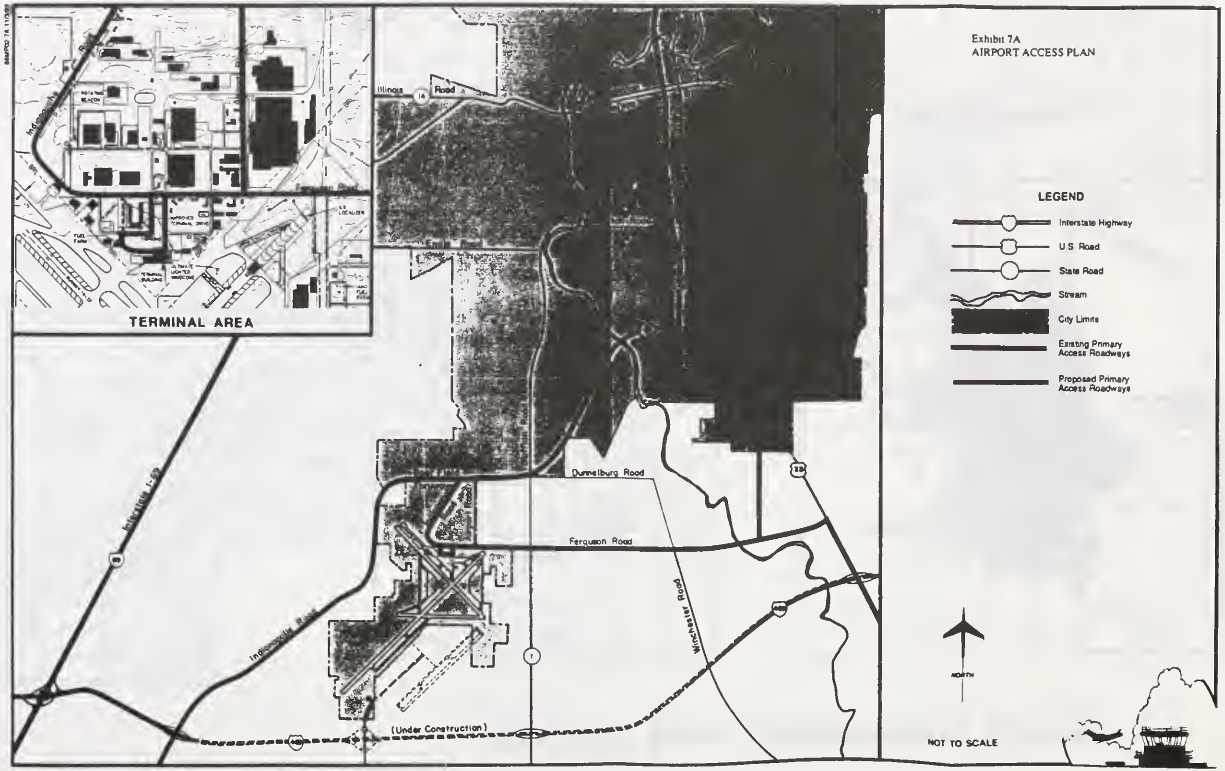
THE FORT WAYNE INTERNATIONAL AIRPORT



VICINITY MAP

STATE MAP

THE FORT WAYNE INTERNATIONAL AIRPORT



WEDNESDAY, MARCH 24, 1993.

EMBRY-RIDDLE AERONAUTICAL UNIVERSITY

WITNESSES

HON. JOHN L. MICA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

STEVEN M. SLIWA, PRESIDENT, EMBRY-RIDDLE AERONAUTICAL UNIVERSITY, DAYTONA BEACH, FL

Mr. FOGLIETTA. I would like to recognize Congressman John Mica of Florida who will introduce Mr. Steven Sliwa.

Congressman.

Mr. MICA. Thank you so much, Mr. Chairman and members of the subcommittee. My staff has worked on this formal introduction and I would request that we make this a part of the official record.

Mr. FOGLIETTA. Without objection, your prepared statement will appear in the record.

Mr. MICA. I would just like to make a few introductory semiformal comments.

Again, Mr. Chairman and members of the subcommittee, my task is to introduce Dr. Steven Sliwa, president of Embry-Riddle University.

I might say that prior to coming to the Congress I spent a number of years in the private sector and was involved in international business and trade. Since coming to the Congress—I am a member of the Public Works and Transportation Committee and the Aviation Subcommittee. In that capacity, I think you all know the dire straights that the aviation industry is in today. I think that you have before you today probably one of the brightest minds in the aviation education field, not only in the United States but in the world.

I think it is very important, if we are to keep our competitive edge in aviation, education, and competitiveness, these are the folks we need to listen to, people like Dr. Sliwa who will help us maintain a cutting edge as far as aviation and aeronautical education. I think the key to our success in the future is a combination of efforts between business, Government, and education.

That is why I am particularly pleased to present him to you today, not to ask—you will hear all these requests for projects of bricks and mortar—this is a project of the mind and the intellect. So it is again with a great deal of pleasure that I introduce to the subcommittee one of the stars in aviation education, the president of Embry-Riddle Aeronautical University, Dr. Steven Sliwa.

Mr. SLIWA. Thank you, Congressman Mica. It is a pleasure to be here.

I did prepare fairly extensive comments in terms of written testimony. I would like to have that entered directly into the record and to keep us on time I would be glad to summarize them for you.

Mr. FOGLIETTA. Without objection, your prepared statement will appear in the record.

Mr. SLIWA. First, I would like to report to the committee on the project that we have been working with this committee on previously. I would like to let you know the success we have had.

We had worked on a project which prepared an engineering and technology center that linked our Arizona and Florida campuses and would ultimately be linked into our off-campus network, industry, and the FAA.

This committee had put a requirement of a 35 percent match. I would like to report that we have already deposited in the bank, if you will, over 45 percent. We expect that by project completion time we will reach between 50 percent and 55 percent. So again, we will be able to overmatch and this is because of the enthusiastic response we received from industries and other donors toward this project.

We have been having meetings with the FAA and industry and have widespread support. In fact, with the FAA technical center, we will be conducting an experiment in the next few months to look at direct linkages between the Embry-Riddle Aeronautical University campus and the FAA technical center as part of our planning for this overall project.

Thus far, it has been a model of cooperation. I would like to thank the committee for its support in the past.

The particular program I would like to discuss today is part of the airway science program. This program was authorized by the Public Works Committee and has had frequent appropriations by this committee in the past. Principally, this is a way to provide the aviation human infrastructure requirements in order for our transportation and aviation capabilities to be met or exceeded in a competitive way, both from the educational and research program standpoint.

One of the goals of this program was to provide qualified employees for the FAA. I want to report to you that as of last count, Embry-Riddle has over 500 graduates working for the FAA. I was talking to the executive director of the University Aviation Association yesterday, and he tells me that over 1,000 people have been recently hired by the FAA since the airway science program started from airway science affiliated schools.

In addition, these programs not only help the FAA but they help industry in general. For example, Embry-Riddle has over 25,000 alumni involved in the aviation infrastructure either flying, maintaining, insuring, marketing, regulating, inspecting, designing, writing the software, writing the user's manuals—all aspects of it. Those are the kinds of things that are supported when you support programs of the mind.

The two specific programs that I mentioned in my written testimony are an aviation doctorate. It turns out that there is no aviation doctorate in the United States right now. Even though there are 300 universities and colleges offering aviation programs, none of them are being taught by faculty members that have a doctorate in the field or a doctorate at all.

If you are familiar with the university environment, you realize that if you have a degree program that is based on a program that does not have doctorates on its staff, those programs tend to be relegated a lesser role in university planning. That is one of the key reasons why a doctorate is required.

When we have worked together with our industry advisory councils—and we had a meeting last week which included members of the FAA, Mitre, Martin-Marietta, IBM, Harris, the Navy, NASA, Coast Guard, and many others—they requested that we pursue this aggressively. They see this as very important. They see it as a practitioner degree rather than a theoretical one. They see it as one that can have a major impact on industry as well as the aviation education infrastructure. They have encouraged us to pursue doctoral programs in aeronautical technology, simulation technology, education, and management.

The program that we are planning to offer includes a residence program where students will actually come to the campus, but we also intend to exploit our over 100 off-site locations, which include the FAA technical center where we offer degree programs there. The senior management at the FAA technical center has again encouraged us to try to come up with a doctorate that is responsive to the aviation infrastructure. There would be many FAA employees and contractors that they think would participate in this program.

We also intend to make this program available on independent studies, which means that people can study at home and use voice mail and E-mail and summer sessions to be able to make progress toward their doctorate in aviation. Fourth, we intend to publish the curriculum once it has been approved by the accreditation bodies so that any university or college could adopt this program and insert it into their curriculum if they would care to do so.

As I will mention toward the end of my testimony, this project, in combination with the other project, is expected to break even within 4 years. We are asking for some seed funding, with which we will match funds, and then the program we think will have such a strong response from industry and academia that it will be self-sufficient in the near future.

The second part of the project, which is related to the first one, is an on-line aviation electronic library. It turns out that we were originally motivated in looking into this program because of our geographic diversity and also because of the aviation doctorate program. But as we started talking to industry and talking to Government, we found out that there is no clearinghouse of ready available information that can be easily accessed in all aspects of aviation.

Our goal is to take all the written aviation knowledge that exists and will exist and digitize it and make it available for dissemination and ready access using a computer terminal anywhere in the country.

There are many examples of where this information would be helpful. In my testimony, I mention a case where there was an accident at LaGuardia recently and it turns out that similar conditions that were involved in that accident were published previously with an accident in another country. But because that information wasn't readily available, it was 3 years until after both accidents that we were able to discover the similarity and be able to work together on that.

Currently, NASA has an industry research advisory council that is looking at trying to steer more funds in technology in general aviation. One of the key themes they came out with was that if we really wanted to help general aviation take off in this country, we needed to have a clearinghouse of information in terms of the latest technology that will be available as people try to find ways to kick-start and restart the GA industry.

Airlines need ready information in terms of demographics—economic data as well as technical data—to make their decisionmaking as efficient as possible. And of course, our original implication was that we wanted to have this resource available to train the minds of our people for the future, both undergraduate and graduate students.

I would like to remind the committee that there are many people who believe as I do, that information can be a significant competitive advantage in a particular industry area. We are trying to make the aviation industry take off again. I think this can really help.

There have been many libraries under development with Federal support in other disciplines, for example, medicine, law, and nutrition. We are suggesting that we take advantage of the technology developments in those areas and apply that directly to the aviation field. We do not see this as a new technology development, but rather a new discipline area that would be addressed.

There are a number of copyright issues that have to be addressed when you digitize the data. But as a result of the progress made in the medicine, law, and nutrition examples, there are special copyright managers which help protect the copyright material and will provide a billing path for those people who need to make copies and the copyright clearance center can be reimbursed at that time.

Our request for this project, which has received wide support from our peer reviews both in academics, industry, and Government, is for $3 million in the first year, $2 million in the second year, $2 million in the third year, $1 million in the fourth year, and after that time the project will be totally self-sufficient and running on its own.

With that, I will be glad to take any questions.

[The prepared statements of the Hon. Mica and Dr. Sliwa follow:]

REMARKS OF THE HONORABLE JOHN L. MICA

INTRODUCTION OF DR. STEVEN M. SLIWA

Mr. Chairman, Members of this distinguished Subcommittee, it is my pleasure to appear before this subcommittee today to introduce and lend my support to Dr. Steven M. Sliwa, President of Embry-Riddle Aeronautical University.

Dr. Sliwa is one of the brightest stars in aviation academia in the world. Since taking the helm of

Embry-Riddle University he has worked non-stop to develop it into the world's largest independent aerospace education and research institution. This university is the only educational institution in the United States with a comprehensive program dedicated to Aviation and Aerospace disciplines.

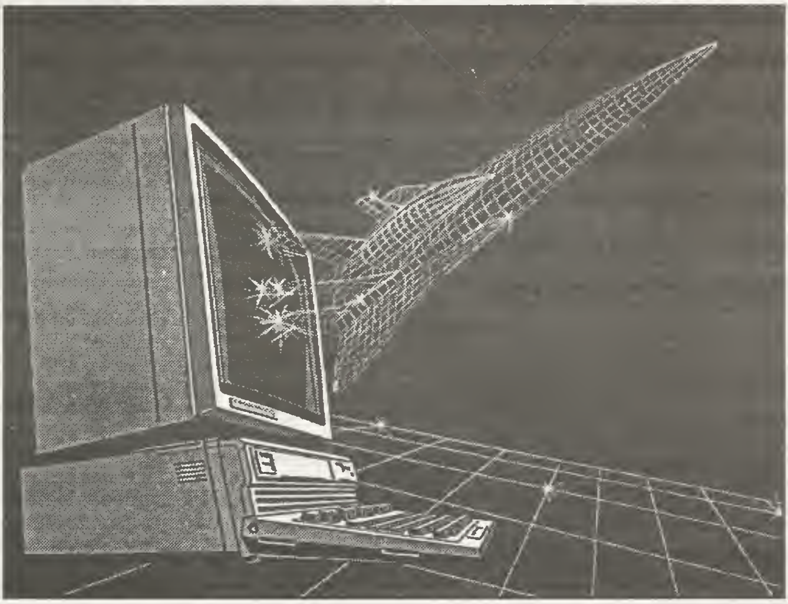
As a member of the Aviation subcommittee of the Public Works and Transportation committee, I know that the programs Dr. Sliwa will discuss with you today are the kinds of programs our country needs to ensure that we can compete in the global aviation market.

I strongly support Dr. Sliwa's request for funding assistance to establish the first ever Doctorate of Aviation program and on-line aviation/aerospace library. These are the programs of the future. The success of this effort to coordinate the intellectual and information resources is critical. If we are to maintain our competitive and technological edge we must act now.

I urge you to listen carefully as Dr. Sliwa describes these programs and explains the role they will play in keeping the United States preeminent and in a leadership role in the world aviation industry.

Statement Of
Steven M. Sliwa, President
Embry-Riddle Aeronautical University
To
Subcommittee on Transportation
Committee on Appropriations
U.S. House of Representatives

Washington, D.C. • March 24, 1993



Executive Summary

The aviation and aerospace industry in the U.S. is at a critical juncture. Bold new initiatives are needed to regain and retain U.S. leadership in the global market place. New paradigms in education offer a "competitively" neutral method to promote free flow of information and build national capabilities in this critical high-technology arena.

Embry-Riddle Aeronautical University is a fully accredited University with special emphasis on academic disciplines related to the aviation/aerospace industry. The University is asking for funding assistance to establish the first ever aviation doctoral program and on-line aviation/aerospace library. The program will emphasize applied problem solving and critical thinking in a cooperative venture between academia, government and industry. Delivery will make unique use of state-of-the-art communication and computer resources for "on-site" education and information retrieval. Innovations, entrepreneurial excellence, managerial efficiency and increased productivity will be the long term results of successful collaboration in this new paradigm.

Comments of

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Embry-Riddle Aeronautical University appreciates this opportunity to participate in this important forum. Challenges facing the aviation community are formidable; solutions will require vision and unprecedented government-industry-academic teamwork. Under your Congressional leadership, cooperative teamwork can meet these challenges with Embry-Riddle as a contributing partner.

First, for the record, let me briefly introduce Embry-Riddle Aeronautical University. We are an independent, not-for-profit, fully accredited University offering aviation/aerospace related degrees through the master's level. We serve some 18,000 students from all 50 states and over 80 foreign countries, pursuing aviation careers at two residential campuses, one in Daytona Beach, Florida, and one in Prescott, Arizona, and at over 100 Resident Centers located throughout the United States and Europe. Our mission is to provide a comprehensive education of such excellence that graduates will be responsible citizens and well prepared for productive careers in aviation and aerospace. We have an estimated 250 million dollar tuition-generated economic impact in our operating communities.

We are currently involved in a 35 million dollar program to upgrade our Engineering and Technology Laboratories, to network our campuses and resident centers and to exploit the potential of high technology, distance learning strategies. We appreciate the Committee's support of this initiative in the form of 11.5 million dollars in FY 1993 appropriation and wish to assure you that the investment you made will be used wisely in support of the future of aviation aerospace in the United States.

Embry-Riddle's Proposal

The U.S. aviation and aerospace industry is at a critical juncture in its development. There is a need to **develop a consolidated intellectual and informational resource infrastructure to continue the technological gains made in this vital sector of the economy.** Our proposal addresses both of these issues. In the intellectual area, we are proposing a uniquely structured and delivered doctoral level degree program to develop and systemize the interdisciplinary body of knowledge associated with aerospace/aviation technology. We intend to focus on developing critical thinking and leadership within the university -- an approach strongly supported by Robert Reich, Secretary of Labor and Lester Thurow, Dean of the Sloan School of Management at MIT, and others. In the infrastructure area, we are proposing the development of an on-line information system providing user friendly instant access to the entire spectrum of aerospace aviation information. We see these proposals as synergistic pieces of an overall approach that will provide a "paradigm shift" at the highest level of intellectual achievement. We are suggesting an academic, industrial and government "partnership" to tackle an immediate and pressing problem. Our research advisory board, comprised of senior industry and government officials, has enthusiastically endorsed the initiatives that I bring before you today.

Background to the Problem

By way of background, I would like to quote some recent studies on the extent of the problem. The FAA R&D Review Panel, under the Chairmanship of Norm Augustine, provided a perspective on this problem in their 1993 update on U.S. leadership in Air Traffic Services. Their report said,

1. "In 1991, the U.S. aviation industry experienced a favorable balance of trade of $29 billion that, together with other aerospace activities, comprised the single largest positive contribu-

tion to the trade balance."

2. "In spite of the past accomplishments of U.S. aviation, this, the final decade of aviation's first century, finds most U.S. airlines in dire financial circumstances; segments of general aviation manufacturing generally driven abroad, commercial aircraft manufacturers hard pressed by foreign government-supported producers;..."

3. "The United States today stands in serious risk of losing world leadership in aviation and suffering the loss in competitiveness, jobs and convenience that that portends."

Estimates vary as to the extent of the problem ranging anywhere from 6 to 10 billion dollars in financial losses, and up to 340 thousand lost jobs -- but there is no doubt that there is a problem and that it is serious. International competition and the decline in defense spending have cut heavily into this once flagship American industry. It is also no secret that much of the foreign competition has been heavily subsidized by foreign governments -- some estimates put the figure as high as 26 billion dollars.

The future will bring more problems. New technology must conform to environmental and other regulatory restrictions that were not present in the past -- this new climate will make cooperation and information sharing a necessity for successful product development. The country that develops the most flexible institutional arrangements will be the leader in this area.

Although there are existing and new problems, the long term outlook for aviation and aerospace is spectacularly bright. No other industry has the potential for technological breakthroughs and product improvement that aviation and aerospace have shown. The post cold war global economy will only grow more interdependent, and aviation is the only feasible mode of transportation in our time critical world. Beyond this space travel and space technology will be the new frontiers. We cannot afford to lose our competitive leadership in this critical international growth area.

The question is whether we as a nation are capable of leading the way with the integration that is warranted. Our intellectual capital for the job comes from many different areas: engineering, computer science, marketing, logistics, and so on. But not one of them comes from aviation. No one has the integrated preparation to wrestle with the issues, possibilities, and challenges inherent in the development of new technologies for aviation. If new developments are approached from one side of the problem without an understanding of the effects on other parts, we stand to lose rather than make gains in the global market.

Our Suggested Approach

We must be careful in the way we approach this problem, and we should put our emphasis in the areas that will give the greatest return. Foreign governments have opted to support specific product development at a cost of billions of dollars. We may choose to do something similar, but we also should investigate less costly more long term solutions to regaining and retaining our preeminence in the aviation/aerospace area. One approach that has proved cost effective and politically feasible is investment in education. Developing our human capital is a strategy that does not subsidize individual competitors, but does build our national capabilities in this critical arena.

Aviation/aerospace education now needs direction, recognition and support! As a relatively new discipline, it has borrowed from more established disciplines such as aeronautical, electrical, and mechanical engineering, computer science, and other technical and managerial disciplines. The time has come to establish aviation technology as separate, pioneering high-technology field; this field needs direct high visibility government support like that provided to engineering in the post Sputnik era. Much of this support can be provided in a relatively low cost loan environment -- the payback over the productive lifetime of students will be substantial! At present, although there are over 300 undergraduate and graduate programs in aviation, there is no doctoral level degree offered in the field. This critical omission can be traced to the newness of the discipline, the reluctance of academic institutions to sponsor new (competing) departments, the multi-disciplinary nature of the subject, and the cost of inaugurating new programs. There is also no effort to bring together, in a systemic way, the enormous information resources available for this industry.

The U.S. aviation system has been band-aided beyond recognition and repair -- the environment for which legislation/regulation was developed was to address an anti-monopoly national intra-system. We now face an international system of competition. We no longer live in a world where U.S. Technology, economic productivity and capital investment can set the rules for international economic development.

There is no single, quick-fix, single solution; however, a work force educated to critical thinking with leaders who understand aviation, aviation technology and the economic, political, environmental and sociological world in which it operates -- is an essential element.

Educational Program Concept

We envision a unique educational endeavor that is solution oriented, application focused, and dedicated to cooperation between academia, industry and government. The degree we are proposing will not emphasize pure research. Rather, we would require an internship with industry. Thesis requirements would be of a practical problem solving nature. Emphasis would be placed on integrated solutions to project management. Relationships and cooperative approaches to problem solving would be goals of such a program. Our approach will supplement entrepreneurial and creative activity in the work place itself.

Embry-Riddle has given much attention to developing the philosophy, goals, curriculum, and approach. Input has been provided by government, industry, and academic institutions. The curriculum is designed to integrate practice and critical thinking. The curriculum and methodological approach are contained in internal working documents that are available on request.

There is already a model for this type of degree in Academia -- and it is the practitioner type of degree in medicine and law. We want to extend this concept into the high technology industrial work place and reap the benefit of cooperation with a somewhat different approach -- one that emphasizes bridge building and a flow of information which is more "real time," and more available for shorter term solutions. The participants in this system will be networked in their educational and their professional activities. Academia can take a leading role in developing and implementing new concepts and ideas. Computer Science and Management Information System are excellent samples of the synergistic effects of academia, industry and government. These disciplines were almost unknown twenty years ago, and now they have grown into the leading technological innovators worldwide. The principle is the same in aviation -- offering unique education programs and state-of-the-art technological access to information as a direct low cost approach to significant productivity gains.

An innovative delivery approach is essential to make sure the program reaches the widest possible audience with the least disruption of work schedules. The technology exists; it remains to exploit its full potential, and this could be the prototype program. Advanced technology lowers per student cost, improves accessibility, and encourages a paradigm shift in our approach to higher education. Students do not have to be at a specific location, but rather they can interact with professors and other students electronically. They will develop and practice the same skills required in project management in the aviation industry.

Aviation aerospace developments are increasingly team oriented projects where participants are required to develop their specialties on-site -- with proper use of technology productivity can be increased substantially. New students and adult learners can benefit from education programs that make extensive use of this technology -- technical breakthroughs and innovative design and managerial techniques will be stimulated through widespread familiarity with this process.

What we are seeking is a system that promotes "free" flow of information among students, instructors, industry and academia. The process will be an on-line rather than an off-line system. Traditional academic processes emphasize a detached, theoretical approach that separates itself from the day-to-day problem solving. This approach certainly has its place in the spectrum of intellectual activity, but I would say that this niche is already amply filled by the numerous and excellent research universities in the U.S.; moreover, this approach will not close the critical thinking gap that threatens our market edge.

Goals

The specific goals we hope to achieve are listed below:

1. The program gives recognized academic doctoral degree support to a field that requires high level critical thinking to remain globally competitive. Aviation has borrowed from research traditions in other fields, and it is clear that a new paradigm is needed for education in the aviation field.
2. It becomes a device for accrediting and preparing teachers in aviation. We have yet to consolidate our instructional knowledge in ways that demonstrate certain productive truths about how instruction takes place in our industry. By allowing doctorates from other disciplines to take responsibility for the instruction of our future professionals we are saying that our existing instructional systems are fine as they are. This is far from the case. An aviation doctorate would enable these teachers to consolidate their aviation knowledge and to impart it in ways so that students learn what works for aviation and what does not.
3. It focuses the best minds on improving technology and maintaining a competitive edge

in aviation and in aerospace. Our ability to channel the brain power for aviation development suffers by the absence of a doctoral program. There is presently no "lens" through which practice can be analyzed for aviation. Clearly, we require a mechanism for intelligent observation of the aviation industry, for testing the different elements, and for applying what we have learned to current aviation problems.

4. The proposed structure for the doctorate serves as a bridge to take theory into practice. It organizes and integrates knowledge for productive use in the aerospace industry. The application of knowledge in aviation is accomplished in a rapidly changing environment. The kind of work accomplished by aviation doctorates will lead to the development of skills and knowledge that are more immediately applicable to aviation problems so that others can "get on with their work" without having to reinvent the jet engine every time they see a new problem.
5. It builds a neutral resource pool of expertise that can be used in a competitive fashion. The industry needs a neural network of aviation experts whose job it is to stimulate the free flow of information among many aviation ventures so that they benefit from a broader spectrum of initiatives. It will also provide a dispassionate source for assessing on-going trends and issues without the pressure of immediate corporate goals.
6. It encourages further research and promotes synergistic knowledge creation. There is no doubt that aviation contains a wealth of knowledge. This knowledge, however, is not systematized nor widely accessible for immediate use in the industry. A cadre of professional doctorates linked with each other and to students via networked communications, however, communicate widely to exchange information, to validate concepts and practices, and to work with each other on new research. Students can test their learning against the reality in which they work, and in doing so, develop ways to make the knowledge immediately productive. Productivity increases, and with it,

global market share.

7. Finally, the nucleus created by an aviation doctorate becomes a medium for the new ideas and non-traditional approaches to problem-solving in aviation. We are no longer piecing together solutions based on assumptions more logical for other disciplines than they are for aviation. We begin to develop our own understanding of this unique field, and create models that will aid the larger aviation industry in solving problems.

Aviation Information Infrastructure

The second part of our proposal is the creation of an aviation information infrastructure. Embry-Riddle University has the breadth, capability, and interest in developing aviation as a priority. Its international presence is widely recognized, making it a key player in accumulating and disseminating information related to the international aviation community. Most recently, Embry-Riddle was granted status as an affiliate campus of the International Space University, which has designated its main campus location to be Strasbourg, France. In addition to this, the University has links into the aviation industry and regulatory bodies of several different countries including Egypt, Kuwait, China, and Nigeria. It has developed an understanding of the global aviation community and is a respected international presence in the education of aviation professionals working across the globe.

The Significance of Information for Aviation

The U.S. aviation industry has two primary concerns: safety and global marketability. In both areas there is evidence that our current access to data bases has disabling effects. For example, in aviation accident investigations, there are instances in which causation has been related to lack of availability of published data on past aircraft performance. Existing data bases are at fault in three ways. First, access to databases for aviation is gained primarily through accessing a great number of other data bases not directly associated with aviation; the descriptors and search strategies differ from those which have become operationally efficient for aviation. Descriptors lack the amount and type of detail required for aviation research, development, and evaluation. Searching these databases normally leads to a great number of documents, most of which are not germane to the problem being investigated. Secondly, existing databases do not efficiently incorporate internationally produced documents. Finally, even if these documents had been located, direct access to the contents of the documents is limited by time and space. There is no service an accident investigator, airline manager, manufacturer, or researcher can access to obtain documents immediately at their locations. On-line libraries for aviation simply do not exist. There is every reason to believe that in some safety incidents, the availability of this information would have made a different in lives which could have been saved and in dollars which would have not been lost.

On-line information for aviation also has economic implications in positioning a nation to develop and market advanced aviation technologies to the world at large. Without this kind of systematized information, whole economies can deteriorate. Knowledge is income, especially in our increasingly knowledge-based economy. If the US is to maintain its leadership in the development of aviation and aerospace technologies, we, too, must recognize that the same lack of systematized, immediately available aviation knowledge that resulted in the New York City crash can lead the U.S. Aviation industry to a crash of the same magnitude.

The U.S. aviation industry *is* distressed. Weekly shifts in strategies in order to keep airlines and manufacturers afloat are publicized. The White House is well aware of the significance of these figures. Secretary of Transportation Pena noted in a recent speech in February:

> "The U.S aviation industry is a barometer of the health of the American economy and a benchmark for our global competitiveness. Now the indicators are flashing alarm signs. As a mainstay of our economy and as an engine of new technology, the president shares my belief that restoring the strength of the aviation industry is a crucial element of the administration's overall economic recovery strategy."
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> Avion, February 24, 1993, page 1

Adequate information flow is an essential element to maintaining both US safety and economic leadership in the world aviation milieu.

While libraries and databases exist, coordination between them and access to documents, books, articles, and materials is unacceptably limited. In many ways these libraries and repositories have become obstacles to information rather than gateways that yield information. The two barriers are physical location and clumsy, inefficient search mechanisms that are ill-suited to investigating aviation concerns. The answer lies in the development of on-line access to documents and database indexing services using terminology and categorizations in common use in aviation and aerospace.

The Meaning of Information Flow for U.S. Aviation

Deficiencies in current document and database access for aviation are in six main areas:

Clearinghouse: There is no central point to which a person doing research, evaluation, and development can go to find out what has been done in government, industry, DOD, university, and internationally.

Lack of quick, remotely accessible databases: Accident investigation occurring on-site is at the present time hampered by lack of access to databases that might help the investigator better analyze the accident while the site is still unaltered.

Complicated search mechanisms that have limited utility for aviation: Aviation is interdisciplinary by nature. Existing data bases for other disciplines have a good deal of other non-pertinent material that interferes with an efficient search for aviation purposes.

International databases are not integrated with domestic sources: Access to international databases is important for both safety and commerce. International information is desired but priority for systematizing it for access appears low. Direct examples of the effects of this lack of integration can too easily found in aviation annals. ICAO is behind two to three years in developing its accident data base exchange. While NATO has taken steps to develop some international data bases on aerospace terminology through the Advisory Group for Aerospace Research and Development (AGARD), the scope is still limited considering past economic and safety needs. There exists no reliable non-proprietary international database to serve U S aviation needs. Access to non-English data is extremely limited, so US aviation has no means of obtaining international perspectives.

Lack of integration of government-sponsored and non-profit libraries: FAA libraries are not well-linked for research, development, or evaluation. While the FAA and NTSB have been major producers of aviation information and documents in demand by the aviation industry, access to these documents is not possible through on-line systems nor through a consolidated search approach. One library does not have access to information on the holdings in another. Search mechanisms differ, and collections are not coordinated.

Lack of information on funded aviation research: Finally, in developing new initiatives, in providing industry with the latest information achieved through government funded research, there is no database containing information on what has been done where, by whom, and with what results.

Is an on-line library required for U.S. aviation development?

The role of information flow as a major influence in aviation and aerospace commerce *is rapidly gaining attention on an international scale.* Information flow and access has global market value. Recent forays of Aerospatiale in manufacturing general aviation aircraft and penetrating the U.S. market indicate a loss in U.S. competitiveness in this area. There is no doubt that our lack of information flow within the industry was a contributing factor to this loss.

Remote access to on-line information is essential because *the aviation industry operates in a geographically dispersed manner.* Geographic diversity has been and will continue to be the norm in aviation operations. But the need for on-site access to information is increasingly recognized as significant, and lack of access has a direct effect on productivity.

By the same token, *aviation and aerospace information is produced at many different geographic locations.* The development of aviation information is widely disbursed and requires access to information about what has been researched before. Researcher productivity hinges on on-line access capability.

In completing advanced degree work in aviation and aerospace access to specialized aviation/aerospace materials is important. It has to be physically accessible. Students need the ability to examine the materials directly wherever they are.

Perhaps the most compelling arguments for an on-line aviation library can be found beyond our own airspace. For the purposes of securing global skies for U.S. aircraft and for creating a truly global presence in future world-wide air transportation, it is becoming increasingly important that foreign entities be given access to a streamlined, user-friendly on-line aviation library. More than ever before, international cooperation is required for the security of U.S. citizens and aircraft operating in other nations. They require current, complete information to make decisions for their own domestic and international service, including information on aircraft performance, airspace management, policy options, and software applications for aviation to name a few. Here, again, as before, more complete access will enable more informed choices to support a global aviation economy. An on-line library is essential to support U.S. involvement in global commercial initiatives, to support information needs of aviation workers (including FAA, NTSB, and NASA workers) wherever they are, to support researcher productivity in support of advancement of the U.S. aviation industry, to preserve the history of aviation development, and to provide a solid, accessible knowledge base for the development of future aviation professionals in undergraduate and graduate programs.

Development of this on-line library calls for a sensitivity to the ways in which the information will be used in the multiple types of aviation applications. The provider should have an operational understanding of the interdisciplinary make-up of aviation and how knowledge can be organized to meet these needs.

Service Components

On-line Library Service should consist of two major parts: (1) on-line documents, and (2) intelligent, friendly gateways to (a) other related indices, (b) other documents, and (c) on-going non-proprietary research. Complete documents should be available for on-line examination and acquisition in the form the user requires. Access means it should provide gateways to national data bases such as the NTSB Reports and data, CAMI, FAA libraries, Defense Technical Information Center (DTIC), National Engineering Education Delivery Service (NEEDS), National Engineering Information Service (NEIS), AGARD, and NASA On-line services. It should also make international databases more accessible and include ICAO data, and reports published by foreign governments.

Flexibility of use is a second important criterion. The display and form in which the information is received should allow the user to manipulate it to meet operational, research, and financial needs.

The on-line library should also be *reliable and consistent.* Users should be able to routinely access it when they want it and rely on the information they receive.

Electronic manipulation of copyrighted documents still presents issues for publishers and users alike. While many anomalies exist that can impact the availability of documents in an on-line format, in the past few years' strides have been made in the development of policies that both protect the rights of authors/ publishers and enable on-line access. Libraries such as those at Illinois Institute of Technology College of Law and Case Western University have been innovative in their approach. They have developed foundations for copyright negotiation to which we can look in creating policy for the aviation on-line service.

A great many aviation resources, however, are government publications and require no copyright clearance for on-line use. Embry-Riddle anticipates being able to scan and index these materials so that much greater access will be possible within a relatively short time frame. Using this approach, coordinated user access to FAA libraries, CAMI, NTSB, and IAC, to name a few, can be acquired.

Approach to On-line Information Service

The on-line service will be developed over a four year period using an integrated approach. During the first year the elements to be put on-line and integrated through a gateway will be identified. Reference librarians at Embry-Riddle are experienced in linking aviation resources with user needs. Their expertise will provide the initial foundation for the architecture of the system. In conjunction with software engineers, they will formulate the system requirements, which will be validated by external experts provided by the FAA, NASA, and NTSB. The priority for digitizing information will be defined, and the requirements for an aviation-specific user interface with existing databases will be generated. Our plan is to use the gateway design of DTIC as a basis for the design for the aviation interface. By exporting the architecture from a defense initiative we feel we are transferring a technology to a usable format by the commercial and general aviation industry. The software will be adapted for aviation descriptors and use. Negotiations with CCC and other holders of copyright will be completed, and copyright management software will be in place to track and manage use.

Our goal is to make the library self-sustaining within four years.

Cost

We estimate that both the doctoral program and the on-line aviation information systems can be implemented for 8.0 million dollars over a four year period. This money would be needed in increments of three million dollars the first year and two, two and one million dollars in succeeding years. No funding required in the fifth year. The first year's cost of 3 million dollars will be distributed as follows:

REQUIRED FUNDING FOR FY 94

(In Millions of Dollars)

Doctoral Program		On-Line Library Information Infrastructure	
Faculty & Staff	.18	Staff	.1
Advertising	.2	Library Acquisitions	.3
Scholarships	.2	Copyright	.1
Operations	.1	Advertising	.05
Hardware & Software	.8	Hardware & Software	1.0
	1.48		1.55
GRAND TOTAL			3.03

Detailed cost breakouts and projections are contained in internal planning documents that can be provided on request. This funding will cover the technical and personnel costs to get both of these programs off to an excellent start. Because of the unique nature of the delivery systems, we will not require any funding for "bricks and mortar" -- in keeping with the mission, we need electronic buildings rather than traditional campus buildings. We feel that both programs will be self sufficient after 4 years; we are convinced that there is a need and that industry and students will recognize the inherent "value added" that derives from education and the knowledge base. Relatively modest user charge fees can keep both programs solvent and growing.

Conclusion

There are severe and continuing problems in the aviation aerospace industry. We are proposing a "synergistic" two part approach to "highlight" the urgency of the situation and implement a cooperative education oriented solution. Because of the uniqueness and the urgency of the program, it cannot be implemented through traditional structures -- it needs the vision and commitment of an achievement oriented Congress. We have the mission, commitment, knowledge, international reputation and experience to lead a collaborative effort of industry, academia, and government to develop and implement these programs.

Mr. FOGLIETTA. I thank you.

What does Embry-Riddle receive now in Federal funds from various departments of the Federal Government?

Mr. SLIWA. I would estimate that out of our $100 million budget approximately $2.5 million comes from various projects involving the Federal Government. This year, when we complete our project with the FAA that will be a big jump this year, but we average about $2.5 million out of our $100 million budget.

Mr. FOGLIETTA. Thank you.

Mr. Wolf?

Mr. WOLF. Thank you, Mr. Chairman.

Welcome to the committee, Congressman Mica and Dr. Sliwa.

Has anyone from your university been approached to serve on the aviation panel that the House approved yesterday to study ways to help the aviation industry?

Mr. SLIWA. Yes, sir. I have been approached. I don't know if my name will make it or not.

Mr. WOLF. You have been approached by the White House?

Mr. SLIWA. Somebody else sent my name in.

Mr. WOLF. Do you think you have a contribution to make?

Mr. SLIWA. Yes, sir.

Mr. WOLF. It would sound right to me.

What would be the match percentage of these funds you are requesting?

Mr. SLIWA. In the past, this committee has requested 35 percent and that is what we're proposing at this time in the initial years. In the out-years, as we get funding from industry and so forth for the on-line library and as the program builds up, the percentage will grow in terms of the matching part.

The first year is 35 percent. I don't have the numbers in front of me.

Mr. WOLF. If you averaged it out over the project, what do you think your match would be?

Mr. SLIWA. Over the project, it would probably be about 55 percent. Of course, the fifth, sixth, seventh, eighth, and ninth year the Federal share would be zero and all the other funds would come from someplace else.

Mr. WOLF. Are you applying to any other committee in the Congress for this money? Are you appearing before any other committee?

Mr. SLIWA. At this time, no, I am not. After talking with a number of people, we thought that this best fit into the airway science program because it fit the intentions of Congress when they authorized the money. I have had discussions with various members of the staff at the FAA who implement the program as well as their contracted executive directors and things outside the FAA, and they seem to be comfortable with this program.

Mr. WOLF. So you won't be appearing before any other committee in request of these funds?

Mr. SLIWA. That is correct. I will not.

Mr. WOLF. Does the FAA support what you're doing?

Mr. SLIWA. Members of the FAA staff are supportive. I do not believe that the Administration's request will have this in the budget.

Mr. WOLF. Were they asked to have this in the budget? Were they approached?

Mr. SLIWA. We have had discussions and they are not sure how they would operate to do this.

As you know, the FAA has only recently been given authority to be able to work with universities in certain manners. The airway science program was the first way that the FAA was allowed to get directly involved. They have recently gotten involved with the grant program and a center of excellence program.

Truthfully, it is relatively difficult to take to them about some of these programs because they aren't sure what their legal standing is for pursuing some of these activities.

Mr. WOLF. It is very impressive that you have 500 people that went to your university that now work for FAA. Hopefully they will work their way up so that they can be a bit of help to you. [Laughter.]

Mr. WOLF. Maybe some day the FAA Administrator will come from your university.

Mr. SLIWA. There is that possibility.

Mr. WOLF. I have no further questions.

Mr. FOGLIETTA. Thank you, Mr. Wolf.

You do have an impressive record of people who are working in the various parts of aviation.

Mr. CARR. Are you on Internet?

Mr. SLIWA. Yes.

Mr. CARR. In this information system, are you proposing to make it available through Internet?

Mr. SLIWA. Yes, and also the new network that is being planned and proposed for education and research that is being sponsored by Vice President Gore. This will be accessible through that as well.

In addition, one of the things businesses have asked is that if they do order materials that we then reimburse through copyright that we move that material using faxes. They would put in a request and then we would find the pages they want and send it off.

The way the Columbia Library works is that the bought a thinking machine computer, which is a connection machine. The user puts in normal library search commands. But instead of just searching through the abstracts, it actually searches through the full documents and takes advantage of the high speed to be able to do that. Then it grades each document on the likelihood that that document would be useful to you for your particular search.

So there has been a lot of research on how to make that available and make it available through Internet. Our library catalogs are currently available through Internet, but that does not allow the material to be available.

Mr. CARR. Would this money be used to make your material available?

Mr. SLIWA. That's correct. It would be our material as well as making other databases in the aviation industry available through networks that would be directly accessible by industry.

Mr. CARR. There are quite a few databases that are already available in the aviation and aerospace area.

Mr. SLIWA. Right, there are a number. Some of them are sponsored by individual FAA sites, some of them are sponsored by

NASA, but the databases themselves aren't as useful as the information. Most of the databases are just abstracts of the materials that have been captured, therefore you are searching through abstracts and there is not an integrated place where they all come together and are made available in one location.

We are hoping to not only bring those databases together but also begin digitizing the whole aviation knowledge base and making that available so that people can pull it up on their screen wherever they are and see that information.

If you wanted to check on things, instead of just doing a search for the database for the abstract, you could actually pull the diagrams up on the screen and view that while you were preparing for your decisions the next day.

Mr. CARR. Just as a thought, wouldn't it be advisable for the Department of Transportation to do this for all the modes and for the Department of Transportation to develop an integrated program that aims in this direction, then in a year or two place certain chunks of the information with people like Embry-Riddle?

I am a little concerned here that while it is arguably a good idea—it is arguably a good idea for all modes of transportation—that we might be getting ahead of ourselves a little bit if the Administration were to propose some kind of information highway in transportation area that you could participate in perhaps as a larger whole that would include highways, rail, maritime, and the rest of them.

Mr. SLIWA. We certainly think that having the transportation as a bigger one would be good. We do bring up that we think that in terms of managing the aviation portion of it—of which aviation could be part—I am not sure that it has to wait, but that is what we can look into—I think we can develop that library with our staff and capabilities of being the largest aeronautical university much more cost-effectively than many other methods that could be developed.

Mr. CARR. I am not suggesting that somebody else do it. It would seem that you would compete very favorably for the business or the work. But it would seem that perhaps we ought to wait and see what DOT wants to say about transportation information generically before we start to put little pieces in place that later on, if they decide to do something like that, would be in hindsight then premature.

Mr. SLIWA. A major portion of our effort is going to be digitizing material. However that system gets organized, I anticipate it will be reorganized every decade as more technology becomes available. But the key part is to be able to move forward and take the information that is on the printed page and make it available electronically. Then once it is in that electronic format, that can easily be translated into one form or another.

That is going to be a delaying part. I am not sure—if we agree that this is the way to go, why not start digitizing the information and start making it available?

Mr. CARR. Couldn't that be done by anybody? We could just go out for requests for proposals to have people digitize documents.

Mr. SLIWA. But one of the things that you have when you have a university involved is that we have our full referenced librarian staff. They have one of the largest collections of aviation materials available already, and we have trained people that know how to sort through, prioritize, and build up the information. I think we could provide leadership to that in a very cost-effective way.

Mr. CARR. Thank you.

Mr. WOLF. Mr. Chairman, what we have here—even though Embry-Riddle is not in my district—we have a real national treasure and a national asset. We're talking about the premier institution in the world for aviation and aeronautical education.

So if we look at it in that context, while we may need to do things in other areas in transportation, this is a program designed specifically for aviation to help keep us in the cutting edge. That is my concern here.

If you look at competitiveness—and we have looked at in the Public Works Aviation Subcommittee—the only area in which this country has really maintained any lead in exports is in aviation manufacturing and the aviation industry. We are starting to lose that lead.

I consider this a very small investment—again, an investment in the mind, and not in bricks and mortar—where we take the lead. We may be looking in hindsight several years down the pike and wonder why we didn't do something like this. This national asset is a combination of business and industry and also Government and education. That is the combination that is going to make us win.

Mr. CARR. Is such an information appropriation authorized?

Mr. SLIWA. Is it authorized? I don't know at this point, but if it isn't, we will certainly work on it. I felt that this fit within the guise and definition of what the airway science program was intended for in terms of making these kinds of infrastructure investments in education and research.

Mr. MICA. If it needs a separate authorization, we would be glad to work on that.

Again, I think if you look at this in the context of what we're proposing for the future of this industry, that we're having real problems in keeping that cutting edge, and we're losing ground—and this is, again, a doctorate program, too. It is beyond just an information gathering.

Mr. CARR. Thank you.

[Response to Hon. Wolf's, questions follow:]

07 1993

EMBRY-RIDDLE
AERONAUTICAL UNIVERSITY

600 S. Clyde Morris Blvd. Daytona Beach, FL 32114-3900 904-226-6200, FAX: 226-7017

Steven M. Sliwa, Ph.D.
President

May 3, 1993

Congressman Frank R. Wolf
13873 Park Center Road
Suite 130
Herndon, VA 22071

MAY 11 1993

Dear Congressman Wolf:

I want thank you and your colleagues for letting me testify before the House Transportation Appropriations Subcommittee March 24, 1993. Although you asked me several important questions during my testimony, I understand that you would like me to respond in writing to your formal set of questions. Let me address those for you:

Question #1: **What organization would be the recipient of the federal funds requested?**

Answer #1: Embry-Riddle Aeronautical University, Inc would be the recipient of the funds. We are a charitable, tax-exempt, organization under 501 (c-3) in the IRS Code and are regionally accredited by the Souther Association of Schools and Colleges (SACS) and professionally accredited by the American Board of Engineering and Technology (ABET) and the Council of Aviation Accreditation (CAA).

Question #2: **How much money are you requesting from this subcommittee for FY 1994?**

Answer #2: We are requesting $3,000,000 for FY 1994.

Question #3: **What will these funds be used for?**

Answer #3: These funds will be used for developing the first Aviation Doctorate in the U.S. and for developing an on-line electronic library for aviation as a national resource.

Question #4: **Are you requesting any funds for non-construction purposes? If yes, what would these funds be used for?**

Leading The World In Aviation And Aerospace Education

Answer #4: Yes. The funds would be used for programmatic purposes. It will include personnel support, equipment and student support funds.

Question #5: **What impact does this project have on our national transportation network, or any other federal purpose, which would justify the request for funds from this subcommittee?**

Answer #5: As described in my attached testimony this funding will help us push the aviation industry to the forefront. When Congress established in 1981 through authorization and subsequent reauthorization and appropriations the Airway Science Program, it decided to take a leadership role in providing for the "human infrastructure" in the aviation industry. Nearly 300 colleges and universities offer programs in aviation and aerospace. However, none current offer a doctorate. That means faculty members do not have an accepted terminal degree. Developing a doctorate curriculum and program which could be offered nationwide is essential for our collegiate programs to continue to prosper. Many in academia, industry, and the government have supported this proposal.

The on-line electronic library is a missing link for education and industry. Aviation and aerospace moves so fast that keeping abreast is difficult. Developing an on-line library which has many documents digitally scanned and available via computer networks for access by industry, schools, and government would enable a rapid dissemination of critical information. Many in industry, academia, and government have supported this proposal.

Question #6: **For FY 1993, what is the total amount of federal funds that this organization received, and what activities were funded by these amounts?**

Answer #6: Embry-Riddle Aeronautical University has a revenue budget of approximately $95 million dollars. Less than $5 million dollars comes from all federal sources. These sources include contracts with the FAA and NASA and grants with the FAA, NASA and NSF. In FY 1993, Embry - Riddle received a one time appropriation of $11.5 million dollars which has been earmarked for the construction of bi-located Engineering and Technology Laboratories on the Florida and Arizona campuses.

Question #7: **Has the project received federal funds in prior years? In what fiscal years were those funds received and in what amounts?**

Answer #7: This project is being started in FY 1994.

Question #8: Will you be seeking additional funds from this subcommittee for this project in the future?

Answer #8: Yes, we will be seeking $3 million in FY 1995, $2 million in FY 1996, and $1 million in FY 1997.

Question #9: What is the total expected cost of the project? What percentage of the total cost of this project would be funded by the federal government?

Answer #9: Over 10 years the project is expected to cost about $38 million. However, since the project is projected to be self-funded within 5 years, the total government share of the funds will only be $9 million. The initial year Embry-Riddle will provide 35% non-federal match. We expect to see that grow to 100% within 5 years.

Question #10: How much state, local, or private funds will be used for this project?

Answer #10: The remainder of the $38 million dollars will be generated from other sources, or approximately $29 million. We currently estimate that the majority of those funds will come from industrial sponsorships or student tuition dollars.

Question #11: Are you seeking funds this year from any other federal source, or any other appropriations subcommittee for this project, or for any other project?

Answer #11: No other federal funds are being sought for this project from other federal sources.

Question #12: If the project for which you are seeking federal funds from this subcommittee is a highway project, where does it rank on the state's priority list?

Answer #12: This is not a highway project.

Question #13: If the project is a transit project, does the general public in your area support the project?

Answer #13: This is not a transit project.

Questions #14: Has there been any public financing mechanisms initiated at the state and/or local level to help fund this project (highway or transit), such as a dedicated gas tax increase or a bond referendum? If so, please provide the specifics, and, in the case of any proposed bonding authority, please indicate the results of placing this project before the public.

Answer #14: This project is not appropriate for this kind of funding mechanism.

Sincerely,

Steven M. Sliwa, Ph. D.

SMS/lkk

Enclosures: March 24, 1993 Testimony to the Subcommittee on Transportation, Committee on Appropriations and U.S. House of Representatives

WEDNESDAY, MARCH 24, 1993.

ALLEGHENY COUNTY, PA, BUSWAY

WITNESSES

HON. JOHN P. MURTHA, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

HON. WILLIAM J. COYNE, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

HON. AUSTIN J. MURPHY, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

HON. RON KLINK, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

MAYOR SOPHIE MASLOFF OF PITTSBURGH, PENNSYLVANIA COMMISSIONER

COMMISSIONER TOM FOERSTER, CHAIRMAN, ALLEGHENY COUNTY BOARD OF COMMISSIONERS, PITTSBURGH, PA

COMMISSIONER PETE FLAHERTY, ALLEGHENY COUNTY, PITTSBURGH, PA

WILLIAM MILLAR, EXECUTIVE DIRECTOR, ALLEGHENY COUNTY PORT AUTHORITY

HOWARD YERUSALIM, SECRETARY, PENNSYLVANIA DEPARTMENT OF TRANSPORTATION

Mr. FOGLIETTA. Mr. Murtha is Chairing the Committee on Defense Appropriations and is unable to be here today. But he said that you and his colleagues would ably handle the job.

Mr. Murphy?

Mr. MURPHY. Thank you, Mr. Chairman.

It is a pleasure for my colleagues and me to welcome here not only the Pennsylvania Secretary of Transportation Yerusalim, the mayor of the city of Pittsburgh, Sophie Masloff, the County Commissioners' chairman, Tom Foerster and his colleague Pete Flaherty.

Mr. COYNE. I just want to thank the committee for making this time available for the mayor of Pittsburgh and the chairman of the Board of County Commissioners and Pete Flaherty. I also thank the subcommittee for having been so helpful in past efforts at funding a very important proposal in Allegheny County that would extend the busway from downtown to the airport.

Congressman Murphy and Congressman Klink both share territory in Allegheny County in their congressional districts. I turn this over to Congressman Klink for a few words.

Mr. KLINK. Thank you very much.

I just wanted to say that we have built a wonderful airport near the city of Pittsburgh with the help of the Federal Government, with the help of this committee. It is going to be a vastly needed boost economically for an area that has really been left behind for the past decade or decade and a half. We need to fully take advantage of that.

We are very dependent on public transportation. I realize the importance of this and I realize that this could ultimately be a project that we could see the increase in jobs, the increase in people being able to pay taxes rather than being the recipients of tax dollars. I beg that you pay close attention to what they have today and give it the credence it deserves.

Mr. FOGLIETTA. I want to recognize and welcome my good friend, the mayor of Pittsburgh, who I had the pleasure of meeting quite a few years ago with Congressman Coyne in Jerusalem, Israel. I became very fond of her and admired the work she was doing in the city of Pittsburgh as a member of the City Council. She has since elevated herself to the position of mayor.

I have followed her career very closely. Let me say that I am very proud of the work you are doing. You are one of the most outstanding mayors in entire United States of America.

Welcome to the committee. I am so glad to have you with us today.

Mr. COYNE. Mr. Chairman, we would like for Chairman Foerster to begin the testimony and then have a few words from Commissioner Flaherty. Then Mayor Masloff has her testimony.

Mr. FOGLIETTA. You may do it, if you would like, but she would have the first shot at it if she wanted it. [Laughter.]

Mr. FOGLIETTA. Mr. Foerster?

Mr. FOERSTER. Mr. Chairman and members of the committee, we have previously sent down copies of our testimony, which we will not read, but I would like to briefly comment on the testimony.

To put it in perspective, Allegheny County was the hardest hit region in this country during the structural unemployment problem the country faced. We lost over 70,000 factory jobs and steel jobs. We didn't sit idly by doing nothing. Just through government instruments we created through various authorities and partnerships we created with the city of Pittsburgh, Allegheny County, the private sector, people in organized labor, and our academic community, we have invested over $3.5 billion in world-class assets in Allegheny County.

Our new airport is indeed a national treasure. It indeed is a world-class airport.

To fully utilize the investment, the Federal Government, the State government, and Allegheny County have in that airport, we need a better network of transportation to link up jobs that are being created in that airport corridor with the job centers that have been so hard-hit. This busway to the airport and the extension of the Martin Luther King busway will get people to where the jobs are being created.

This is in the national interest to put unemployed people to work. It is sin the national interest to have long-term investments in our people. It is in the national interest to improve air quality, which this busway will do by getting people out of their automobiles and onto public transportation.

We ask that you look at this project as a long-term investment in people. Our airport serves four States, 66 counties in West Virginia, Ohio, Maryland, and Pennsylvania. We think in creating that airport, which also serves the Air National Guard, the 711th and the 151st, that we are indeed doing things that are in the national interest. This is not a make-work project, it is a project that is needed to get unemployed people to work.

Mr. FOGLIETTA. That is one of the problems I like to address as the chairman of the Urban Caucus of this Congress as well as a representative of inner city Philadelphia. That is one of the problems we face in some of the big cities of this Nation, especially the older cities like Pittsburgh and Philadelphia.

We have a center core with high numbers of unemployed people. When statistics come out, they say that there is a general unemployment rate of 7 percent, but the fact is that in some outlying areas it may be 2 percent whereas in the core areas it may be 25, 30, or 40 percent. One thing we have to do is to get people to where the jobs are.

You are doing it in your city by bus. We have a rail transportation system where we are going to try to do the same thing in Philadelphia.

Mr. FOERSTER. Mr. Chairman, we have been starved for the last 12 years in our urban centers. The Federal Government has stood idly by for the last 12 years, and we are desperately in need of help.

We need to get the unemployed to the jobs at the airport.

Mr. Flaherty?

Mr. FLAHERTY. Good morning, Mr. Chairman and members of the subcommittee.

I appreciate the opportunity to come here this morning. As my colleague just stated, we have submitted a joint statement and I just wanted to mention a few of the highlights that are in it.

This is not some exotic transit system that we discussing that involves high technology. As a matter of fact, it makes use of existing abandoned railroad rights-of-way that pass through and around the city of Pittsburgh and Allegheny County.

You can see this picture on the right which shows the existing busway that spills along the main line of the Pennsylvania railroad tracks. The busways go east and west. The railroad tracks are still very valuable. Of course, that is the main line coming from New York to Philadelphia on the way to Chicago.

It has worked very well in moving people at a much faster pace, especially during peak hours when traffic is bumper to bumper. The buses are moving at relatively good speeds.

There is also minimum relocation involved when you use abandoned railroad rights-of-way. We don't have that problem, which many urban areas do. We have had it ourselves when we built highways, of course. In this case, there was a very minimum amount of relocation of people and commercial businesses and so forth.

Basically, as you all know, we lost our steel mill. We are now looking toward new development. Most of our steel mills were out in the eastern section of Allegheny County and many, many people still live there in those neighborhoods and communities. They are now looking for new opportunities.

The opportunities now have moved into the western sector of Allegheny County where the new airport has been one of the catalysts. And this will help relieve a lot of the congestion around there. It will help to provide jobs for inner city people to get out to the area where the new development is taking place.

We hope you will consider it very favorably.

Thank you.

[The prepared statements of the Hon. Coyne, Com. Foerster, and Com. Flaherty follow:]

THE HONORABLE WILLIAM J. COYNE
TESTIMONY BEFORE
THE HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TRANSPORTATION
MARCH 24, 1993

Mr. Chairman, Members of the Subcommittee,

I want to thank you for this opportunity to speak once again in support of continued federal funding for expansion of Allegheny County's Busway System, including the new Airport Busway. I also want to thank the Subcommittee for previous support given this project.

I am pleased to introduce today a panel which will make clear the high priority given to Busway expansion linking downtown Pittsburgh with the new Pittsburgh International Airport. This project has the unified support of Allegheny County, surrounding counties in southwest Pennsylvania, the Pennsylvania Department of Transportation and the congressional delegation from southwest Pennsylvania.

The opening of the new airport has reinforced our view that plans for an Airport Busway were right on target in meeting the transportation needs of the region. The Airport Busway is a vital part of plans to ensure that the region's commercial and business center, the City of Pittsburgh, can realize fully the benefits of the new Airport. The planned closure of the Ft. Pitt Bridge and Tunnel for renovation -- which currently is a key link between downtown Pittsburgh and the Airport -- only highlights further the importance of the Airport Busway project.

Significant progress has been made on this project with the support of federal, state and local funds. Continued federal appropriations for the Airport Busway and other improvements of the area's intermodal transportation network is vital to the continued success of this effort. We are here today to seek the support of this Subcommittee in guaranteeing that this effort continues to move forward.

I am pleased to introduced Allegheny County Commission Chairman Tom Foerster, County Commissioner Peter Flaherty, Mayor Sophie Masloff, and Pennsylvania Department of Transportation Secretary Howard Yerusalim. I want to note also the presence of William Millar, Executive Director of the Port Authority of Allegheny County.

Thank you again for this opportunity for this panel to appear before the Subcommittee.

STATEMENT

OF

TOM FOERSTER

CHAIRMAN

ALLEGHENY COUNTY BOARD OF COMMISSIONERS

AND

PETE FLAHERTY

ALLEGHENY COUNTY COMMISSIONER

BEFORE THE TRANSPORTATION APPROPRIATIONS SUBCOMMITTEE

UNITED STATES HOUSE OF REPRESENTATIVES

MARCH 24, 1993

GOOD AFTERNOON MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE. WE THANK YOU FOR THIS OPPORTUNITY TO TESTIFY. I AM TOM FOERSTER, CHAIRMAN OF THE ALLEGHENY COUNTY BOARD OF COMMISSIONERS AND ACCOMPANYING ME IS FELLOW ALLEGHENY COUNTY COMMISSIONER PETE FLAHERTY. WE SIT IN THE COMPANY OF THIS MOST DISTINGUISHED CONGRESSMEN TO EMPHASIZE TO YOU THE REGIONAL IMPORTANCE OF ALLEGHENY COUNTY'S BUSWAY SYSTEM EXPANSION PROGRAM.

WE WOULD LIKE TO THANK THE SUBCOMMITTEE FOR ITS PAST SUPPORT OF PUBLIC TRANSPORTATION PROGRAMS AND, IN PARTICULAR, FOR ALLEGHENY COUNTY'S BUSWAY PROGRAM. WE WANT TO ADD A SPECIAL ACKNOWLEDGEMENT TO THE NEW CHAIRMAN OF THE SUBCOMMITTEE, CONGRESSMAN BOB CARR, AND THE RANKING MINORITY MEMBER OF THE SUBCOMMITTEE, CONGRESSMAN FRANK WOLF AS WELL AS THE NEW MEMBER FROM PENNSYLVANIA, CONGRESSMAN TOM FOGLIETTA FROM PHILADELPHIA.

THIS PAST YEAR A NEW MIDFIELD TERMINAL WAS OPENED AT THE GREATER PITTSBURGH INTERNATIONAL AIRPORT. THE OPENING OF THE NEW TERMINAL IS THE CULMINATION OF YEARS OF PLANNING AND DISCUSSION, AND PROMISES TO BE A MAJOR ECONOMIC GENERATOR IN THE REGION FOR YEARS TO COME. INDEED, THE SERVICE AREA OF THIS NEW AND EXPANDED AIRPORT, WHILE BENEFITTING PRIMARILY RESIDENTS OF ALLEGHENY COUNTY AND ADJOINING COUNTIES, WILL ALSO SERVE RESIDENTS OF THE ENTIRE TRI-STATE AREA.

HOWEVER, IF WE ARE TO REALIZE THE FULL ECONOMIC POTENTIAL OF THE MIDFIELD TERMINAL, FURTHER INVESTMENTS IN OUR SURFACE TRANSPORTATION SYSTEM ARE NECESSARY. THE SURFACE TRANSPORTATION SYSTEM IN THE AIRPORT CORRIDOR IS INADEQUATE AND INCAPABLE OF HANDLING EXISTING TRAFFIC, LET ALONE TRAFFIC BROUGHT ON BY INCREASED ECONOMIC ACTIVITY. SUCH TRANSPORTATION PROBLEMS COULD CONSTRAIN ECONOMIC GROWTH AND WILL RESTRICT ACCESS TO THE JOBS IN THE AIRPORT CORRIDOR.

THE BUSWAY SYSTEM EXPANSION PROGRAM STANDS FIRST AND FOREMOST AMONG STRATEGIES TO IMPROVE MOBILITY IN THIS VITAL CORRIDOR. THE COMBINATION OF THE AIRPORT BUSWAY AND THE EXTENSION OF THE MARTIN LUTHER KING, JR. EAST BUSWAY WOULD LINK OUR ESTABLISHED POPULATION CENTERS WITH EMERGING JOB OPPORTUNITIES.

THE AIRPORT BUSWAY WILL ALSO PROVIDE A VITAL TRANSPORTATION ROUTE FOR TWO DEFENSE FACILITIES LOCATED ADJACENT TO THE AIRPORT, THE 171ST AIR REFUELING WING OF THE PENNSYLVANIA AIR NATIONAL GUARD AND THE 911TH MILITARY AIRLIFT GROUP OF THE AIR FORCE RESERVE. THE BUSWAY WOULD PROVIDE AN EXPRESS ROUTE IN AND OUT OF THE AIRBASES FOR QUICK MOBILIZATION OF EQUIPMENT AND MATERIALS SHOULD THE NEED ARISE.

SIGNIFICANTLY, THE PHASE I AIRPORT BUSWAY WILL INCLUDE A HIGH OCCUPANCY VEHICLE (HOV) FACILITY FROM ROUTE 51 TO DOWNTOWN PITTSBURGH USING THE EXISTING WABASH TUNNEL. THIS HOV TUNNEL

WOULD SHARE A COMMON BRIDGE INTO DOWNTOWN PITTSBURGH WITH THE AIRPORT BUSWAY.

THE AIRPORT BUSWAY WITH THE WABASH HOV FACILITY WOULD PUT AN ALTERNATIVE TRANSPORTATION SYSTEM IN PLACE IN ANTICIPATION OF THE FUTURE RECONSTRUCTION OF THE FORT PITT BRIDGE. IN A CITY WITH MORE BRIDGES THAN ANY CITY IN THE WORLD SAVE VENICE, THE FORT PITT BRIDGE IS FAR AND AWAY THE BUSIEST AND MOST UTILIZED, CARRYING OVER 140,000 VEHICLES PER DAY. UNLESS ALTERNATE MEASURES SUCH AS THE AIRPORT BUSWAY ARE PUT IN PLACE EXPEDITIOUSLY, THE CLOSING OF THIS BRIDGE FOR RECONSTRUCTION IN THE NEXT FOUR YEARS WILL WITHOUT QUESTION CAUSE GREAT SOCIAL AND ECONOMIC DISRUPTION IN OUR REGION.

THROUGH THE FY 1992 AND FY 1993 TRANSPORTATION APPROPRIATIONS BILLS THIS SUBCOMMITTEE DIRECTED FEDERAL FUNDING OF $24.6 MILLION TO THE BUSWAY SYSTEM EXPANSION PROGRAM. PORT AUTHORITY OF ALLEGHENY COUNTY - THE LOCAL TRANSIT AGENCY - IS HARD AT WORK OBTAINING FUNDING FROM EVERY POSSIBLE SOURCE TO BE USED IN CONJUNCTION WITH FUNDING PROVIDED THROUGH CONGRESSIONAL EARMARKS.

INDEED, IN THE SPIRIT OF THE RECENTLY ENACTED INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1991 (ISTEA) THE PROJECT IS SHAPING UP AS A NATIONAL MODEL FOR INTERAGENCY COOPERATION AND FINANCING.

SECTION 1108 OF ISTEA SPECIFICALLY PROVIDES $31.5 MILLION IN TRUST FUND CONTRACT AUTHORITY FOR THE BUSWAY SYSTEM EXPANSION PROGRAM, A SET PERCENTAGE OF WHICH IS TO BE PROVIDED ANNUALLY THROUGH 1997.

FURTHER, ISTEA SECTION 1069 SPECIFICALLY AUTHORIZES $39.5 MILLION FOR THIS PROJECT, FUNDS WHICH REQUIRE APPROPRIATION.

FINALLY, PORT AUTHORITY OF ALLEGHENY COUNTY HAS HAD EXTENSIVE DISCUSSIONS WITH THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION REGARDING USE OF "FLEXIBLE" FUNDS FOR THIS PROJECT. SUCH DISCUSSIONS REFLECT THE STRONG LOCAL AND STATE SUPPORT FOR THE BUSWAY SYSTEM EXPANSION PROGRAM.

IN THE FISCAL YEAR 1994 TRANSPORTATION APPROPRIATIONS BILL IT IS IMPERATIVE THAT WE RECEIVE A CONGRESSIONAL EARMARK OF $56.5 MILLION. SUCH FUNDS WOULD BE USED TO MOVE THE PROJECT FORWARD ON AN ACCELERATED BASIS.

IN CONCLUSION, WE IN ALLEGHENY COUNTY ARE EXTREMELY PROUD OF OUR STATUS AS "BUSWAY PIONEERS", AND LOOK FORWARD TO TAKING THIS HIGHLY SUCCESSFUL TECHNOLOGY INTO THE NEXT CENTURY. THE SUBCOMMITTEE'S APPROVAL OF OUR REQUEST FOR $56.5 MILLION IN THE FISCAL YEAR 1994 APPROPRIATIONS BILL WILL HELP US EXTEND THIS SYSTEM INTO PARTS OF THE COUNTY WHERE MOBILITY AND ECONOMIC DEVELOPMENT NEEDS ARE PARAMOUNT.

Mr. FLAHERTY. At this time, I would like to introduce our mayor of the city of Pittsburgh, Ms. Sophie Masloff.

Mayor MASLOFF. Thank you.

Thank you, Mr. Chairman, for those kind remarks. I, too, remember that trip to Jerusalem. I won't tell if you don't. [Laughter.]

Mayor MASLOFF. Mr. Chairman and subcommittee members, I thank you for this opportunity to appear today and thank you for your outstanding assistance to us in the past. It has greatly aided the transition to the modern economy we enjoy in Pittsburgh today.

But we look forward to continuing to work with you, our own Bill Coyne, and President Clinton for progress in the future.

I want to make four basic points. First, the city of Pittsburgh fully supports the request for the Allegheny County Port Authority for additional funding for its Allegheny Airport busway project. This will make our new airport, with a revitalized downtown Pittsburgh, the region's job center and will play an important role in our future mobility.

Second, in Pittsburgh, we understand that for the city to work well in the future, all of its parts must work together well. For the past several years, we have been working very hard to plan for combining light rail transit, bus loading areas, bikeways, HOV lanes, and parking facilities into intermodal transportation centers. We are very excited about this concept and to date we have invested about $4 million of city funds in development of these ITCs.

Third, we have currently two ITCs in various stages of development. Both are ready to go right now. First, the Golden Triangle I–376 ITC will link a new transit station along the city's existing light rail transit, a new HOV facility incorporated into existing I–376, a bikeway, and a bus passenger facility with a major new parking facility. This will address congestion in the region where it is most severe.

The North Side I–279 ITC will link a major new garage facility to an existing HOV lane, park-and-ride, improving greatly the efficiency of the interstate.

Fourth, we are working hard to bring these projects to reality. But given the backlog of projects facing PennDOT, it could be 5 to 10 years before substantial progress on these projects could be made in the absence of new assistance.

Because we feel so strongly that this is an important demonstration of intermodalism, we request your assistance in providing $4.5 million in fiscal year 1994 funding for these ITC projects. With this funding, we will be able to undertake the purchase of the remaining property needed and initiate engineering and design.

Mr. Chairman and members, thank you again for the opportunity to appear before you.

[The prepared statement of Mayor Masloff follows:]

Testimony to the Transportation Subcommittee of the Appropriations Committee of the U.S. House of Representatives

March 24, 1993

Sophie Masloff, Mayor
City of Pittsburgh

Mr. Chairman, and Subcommittee members, thank you for the opportunity to appear today and thank you for your outstanding assistance to us in the past, which has greatly aided the transition to the modern economy we enjoy today in Pittsburgh. We look forward to continuing to work with you, our own Bill Coyne, and President Clinton for progress in the future. I wish to make four basic points today:

First, the City of Pittsburgh fully supports the request of the Allegheny County Port Authority for additional funding for its Airport Busway project. This will link our new airport with our revitalized downtown Pittsburgh, the region's job center, and will play an important role in our future mobility.

Secondly, in Pittsburgh, we understand that for the City to work well in the future, all of its parts have to work together well, too. For the past several years, we have been working very hard to plan for combining light rail transit, bus loading areas, bikeways, HOV lanes, and parking facilities into Intermodal Transportation Centers, or ITCs. We are very excited about this concept. To date, we have invested about $4.0 million of city funds in development of these ITCs.

Third, we currently have two ITCs in various stages of development. Both are ready to go now:

> The first, the Golden Triangle I-376 ITC will link a new transit station along the City's existing light rail transit, a new HOV facility incorporated into existing Interstate 376, a bikeway and a bus passenger facility with a major new parking facility. This will address congestion in the region where it is most severe, the Parkway East.
>
> The second, the North Side I-279 ITC will link a major new garage facility to an existing HOV lane and park and ride lot on Interstate 279, improving greatly the efficiency of the Interstate.

Fourth, we are working hard to bring these projects to reality. But given the backlog of projects facing PennDOT, it could be 5 to 10 years before substantial progress on these projects could be made in the absence of new assistance. Because we feel so strongly that this is an important demonstration of intermodalism, we request your assistance in providing $4.5 million in fiscal year 1994 funding for these ITC projects. With this funding we will be able to undertake the purchase of the remaining property needed and initiate engineering and design.

Mr. Chairman, thank you again for the opportunity to appear before you today.

City of Pittsburgh's

DOWNTOWN INTERMODAL TRANSPORTATION CENTERS

Sophie Masloff, Mayor
March 1993

Intermodal Transportation Centers
Department of City Planning
City of Pittsburgh

A. What are ITC's

1) Centers where Highway/Transit/High Occupancy Vehicle (HOV)/Parking/Biking/Walking Facilities intersect.
2) Large garages for long-term parkers which contain:
    - terminus for HOV lanes on interstate highways to maximize vehicle occupancy.
    - transit stops and transfer facilities, to maximize transit usage.
    - bike/walkways, to minimize motor vehicle usage.
3) Transportation facilities strategically located on the fringe of major employment areas, to minimize congestion and air quality impacts in the downtown.
4) The model is similar to the I-394 Transportation System Management Plan for Minneapolis, Minnesota.

B. Why does Pittsburgh need ITC's

1) To reinforce the Central Business District as the major employment center in the region.
    - compete with the suburban attraction by providing transit and lower cost parking for HOV's.
    - protect and enhance past infrastructure investment
        - two interstate highways meet in CBD
        - two existing exclusive busways, one HOV and light rail transit system lead to CBD.
2) To support economic development
    - new busway & planned HOV lead to CBD.
    - 20M square feet of new office development can be supported in CBD on assembled sites.
3) To improve air quality
    - monitoring demonstrates Downtown does not currently have an air quality problem.
    - studies show that a modest increase in traffic from only 1700 new parking spaces within the core of the downtown could create a problem.
    - narrow streets with few travel lanes have little excess capacity.

- relatively few vacant parking spaces currently within inner triangle cause long queues.
- by keeping new parking on fringes, with immediate highway and HOV access, mobile source pollution is reduced.

C. What's the City's strategy

1) Long Term
   - build ITC's on the interstate highway approaches to downtown (I-376 and I-279).
   - build 9,000 parking spaces over 15 years, which will support 24,000 new jobs.

2) Immediate
   - begin construction as soon as possible on two ITC's--Golden Triangle/I-376 and North Side/I-279 on the edge of the Central Business District.

D. Why do we think this strategy will succeed

1) Downtown is efficient
   - 1/3 of all region's jobs are in the City.
   - 140,000 + workers on 400 acres in the CBD.
   - one building (USX Tower) has as many workers (10,000) as entire airport area (32,000 acres).
   - service 200,000 workers, shoppers and business visitors on a daily basis with only 42,000 parking spaces (90% + occupancy).
   - walkable, less than 15 minute walk from one corner of Golden Triangle to another.
   - many business to business trips in elevators and on sidewalks--few auto "cold starts", thus minimizing pollution.
   - Downtown parking spaces are used 16 hrs/day by workers and attendees at cultural and sports events (Symphony, Opera, Pirates/Steelers), etc.
   - Downtown jobs require 1/3 of the autos required by suburban jobs.
   - For 10,000 new employees downtown, expect:
     4,950 new transit riders (5500 x .9)
     2,700 new parking spaces (4,500 x .9/1.5)

Otherwise, those jobs will locate in the suburbs, and expect:

0 new transit riders

7,500 new parking spaces (10,000 x .9/1.2).

2) Past transit improvements have achieved certain efficiencies
   - 55% of CBD workers use mass transit.
   - carpooling is widespread (1.5 persons/vehicle is the norm.)
   - only 1/3 of CBD workers drive alone.

3) ITC's are ISTEA friendly.

E. Status

1) Golden Triangle/I-376 ITC
   - City has purchased property.
   - PaDOT has prepared conceptual design for highway improvements.
   - Port Authority has prepared conceptual engineering and architectural design for ITC LRT Station.
   - City has prepared historic/archaeological and traffic studies and is prepared to finalize Environmental Assessment.
   - City conducted financial feasibility analysis demonstrating a local capacity to finance $11.95M of the $52.4M total garage construction costs through its public parking bonding authority.

2) North Side/I-279 ITC
   - City has prepared conceptual design.
   - City has demonstrated direct tie to existing HOV lanes.
   - City has prepared financial spreadsheet.
   - Port Authority has completed Draft Environmental Impact Statement for a project that would connect the ITC to the Golden Triangle by extension of existing LRT.

3) Programming
   - Both ITC's are on the region's approved Transportation Improvement Program (TIP)
   - Both ITC's rated as the #1 and #2 priorities for this region's CMAQ funds by the State, regional planning commission and local counties.

TRANSPORTATION SYSTEM MANAGEMENT PLAN FOR I-394

MAY, 1988

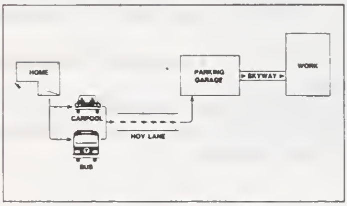
EXECUTIVE SUMMARY

OVERVIEW

Eleven miles of Express Lanes reserved for buses, vanpools and carpools with two or more persons will be the cornerstone of the I-394 Transportation System. I-394, which will be a six lane freeway built along existing Trunk Highway (T.H.) 12 between T.H. 101 in Wayzata and downtown Minneapolis, is scheduled for completion in late 1990.

East of T.H. 100, the two inside lanes of I-394 will be reserved for High Occupancy Vehicles (HOVs) at all times. These lanes will be physically separated from the mixed traffic lanes and will be reversible, running eastbound in the morning and westbound in the afternoon.

Between T.H. 101 and T.H. 100, the two inside lanes will not be physically separated from the mixed traffic lanes but will be marked with a diamond symbol. These "diamond" lanes will be reserved for HOVs during the morning and afternoon peak periods. One lane will run eastbound and one will run westbound.

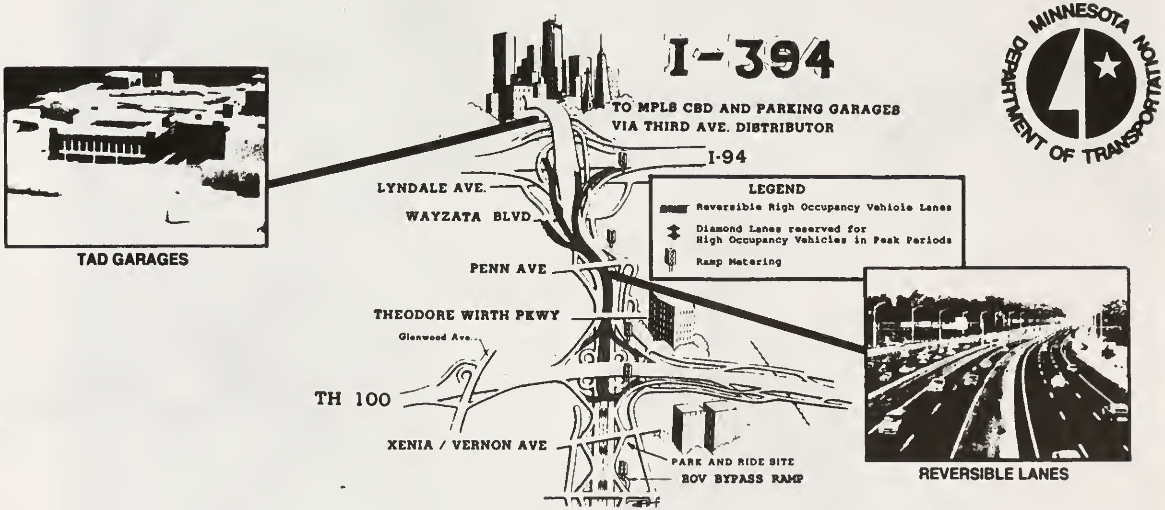


I-394 TRANSPORTATION SYSTEM CONCEPT

POLICIES

The following policies have been adopted by the I-394 Policy Committee and endorsed by the Metropolitan Council, Regional Transit Board, Transportation Advisory Board, and Metropolitan Transit Commission.

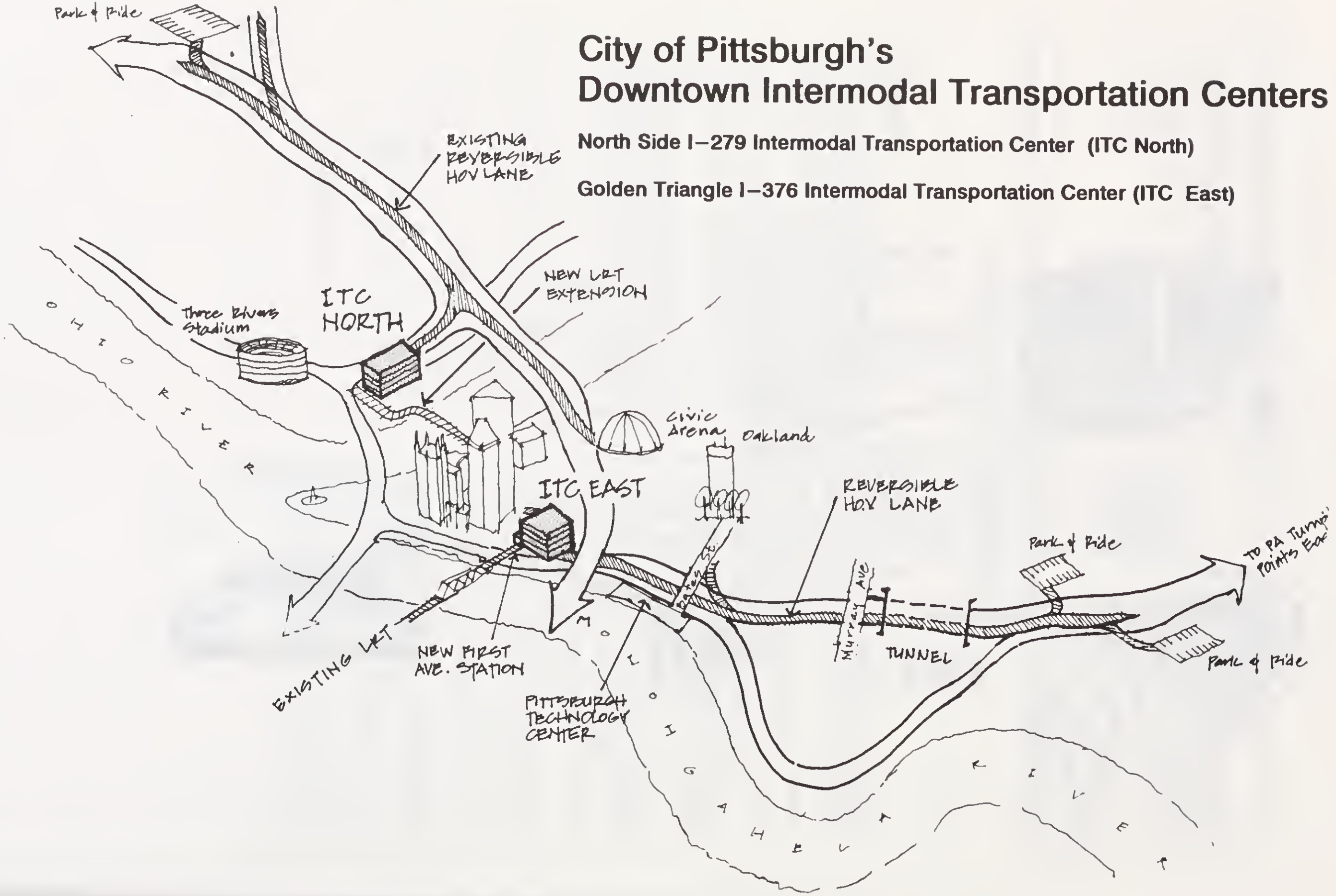
- THE MOVEMENT OF PEOPLE WILL BE GIVEN PRIORITY OVER THE MOVEMENT OF VEHICLES ON I-394.
- ACTIONS WILL BE TAKEN WHICH WILL ENCOURAGE OPTIMUM USE OF THE I-394 HOV EXPRESS LANES.
- TRAFFIC WILL BE MANAGED ON I-394 TO MAINTAIN AN OPTIMUM BALANCE AMONG THE HOV EXPRESS LANES, THE MIXED TRAFFIC LANES AND THE TRAFFIC BACKUP ON LOCAL ACCESS STREETS.
- THE DESIGN OF I-394 WILL BE FLEXIBLE ENOUGH TO IMPLEMENT ALTERNATIVE OPERATIONAL STRATEGIES AFTER THE START-UP PERIOD IF THE OPERATIONAL OR SAFETY OBJECTIVES OF I-394 ARE NOT MET.
- REASONABLE TRAFFIC FLOW WILL BE MAINTAINED ALONG T.H. 12 DURING CONSTRUCTION.
- THE THIRD AVENUE DISTRIBUTOR GARAGES WILL BE DESIGNED, FUNDED AND OPERATED AS AN INTEGRAL PART OF I-394.
- PEDESTRIAN FACILITIES WILL BE PROVIDED WHERE NEEDED TO SUPPORT HOV FACILITIES ALONG THE I-394 CORRIDOR.
- PUBLIC SUPPORT FOR THE I-394 HOV LANE/PARKING GARAGE/TRANSPORTATION SYSTEM MANAGEMENT CONCEPT WILL BE ACTIVELY SOUGHT.
- A COORDINATED MEANS OF OPERATING AND EVALUATING THE I-394 TRANSPORTATION SYSTEM WILL BE DEVELOPED.
- ACTIONS WILL BE TAKEN BY THE IMPLEMENTING AGENCIES TO ASSURE THE AVAILABILITY OF FUNDS TO SUPPORT THE SUCCESSFUL IMPLEMENTATION OF HOV STRATEGIES.

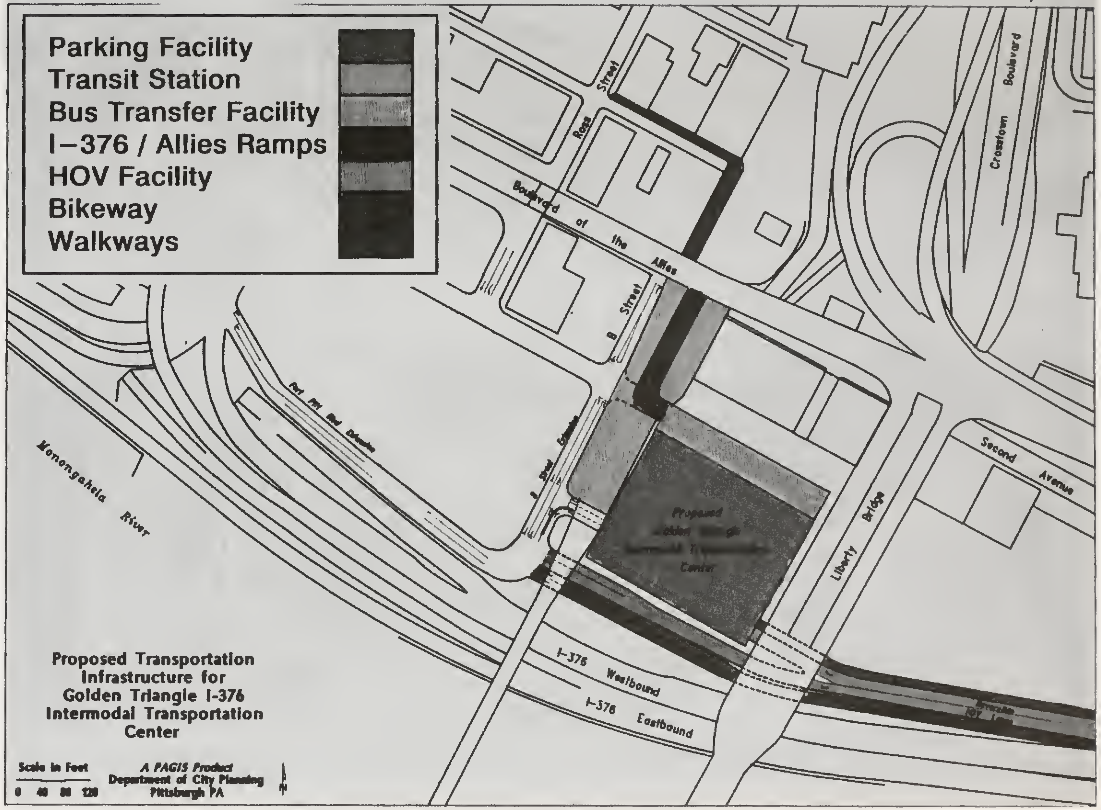

MINNESOTA DEPARTMENT OF TRANSPORTATION
I-394
TO MPLS CBD AND PARKING GARAGES
VIA THIRD AVE. DISTRIBUTOR
I-94
LEGEND
Reversible High Occupancy Vehicle Lanes
Diamond Lanes reserved for High Occupancy Vehicles in Peak Periods
Ramp Metering
TAD GARAGES
LYNDALE AVE.
WAYZATA BLVD
PENN AVE
THEODORE WIRTH PKWY
Glenwood Ave.
TH 100
XENIA / VERNON AVE
PARK AND RIDE SITE
HOV BYPASS RAMP
REVERSIBLE LANES

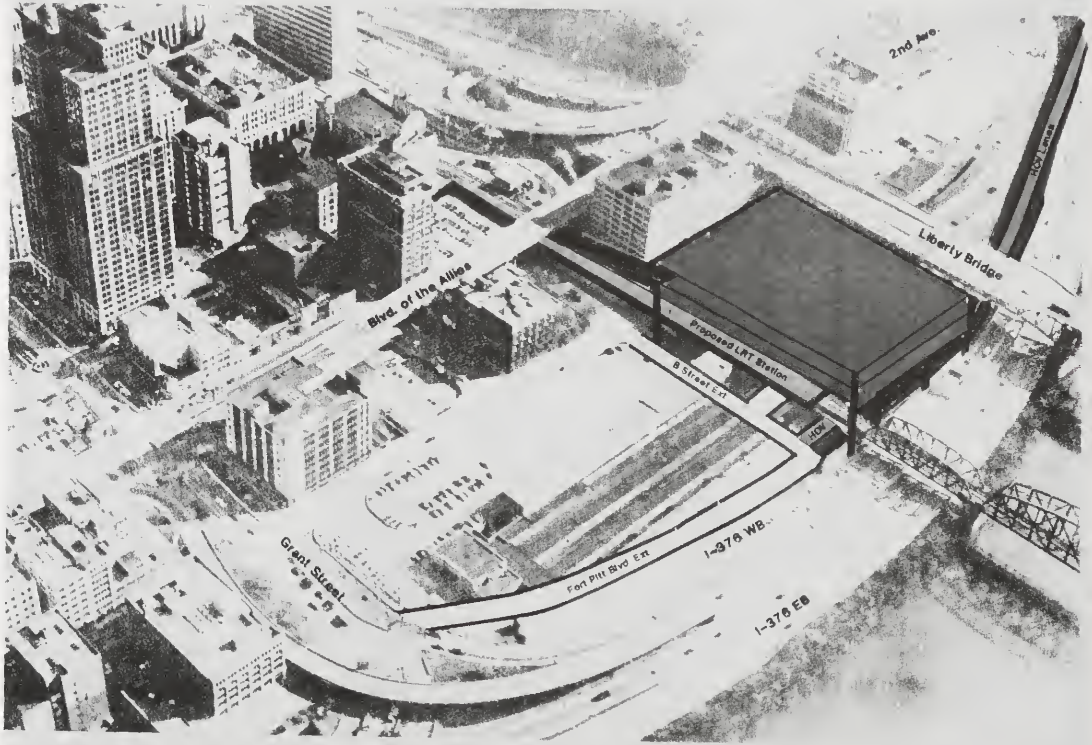
City of Pittsburgh's Downtown Intermodal Transportation Centers

North Side I–279 Intermodal Transportation Center (ITC North)

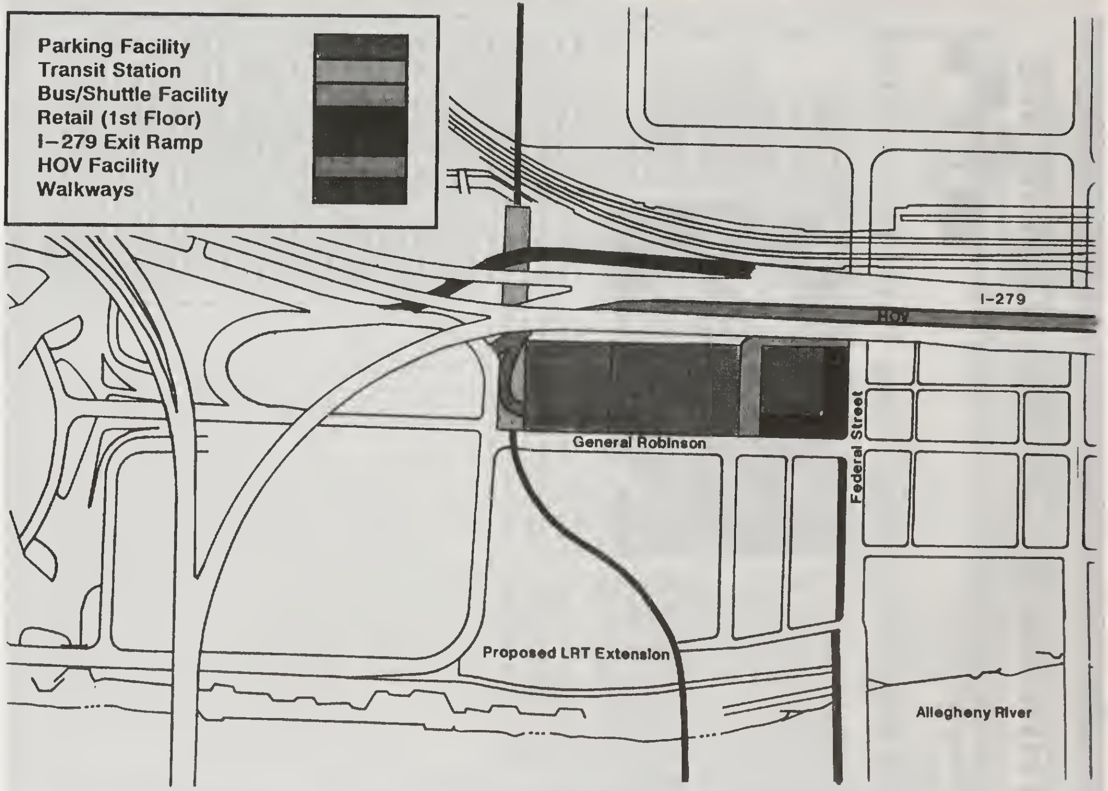
Golden Triangle I–376 Intermodal Transportation Center (ITC East)




Parking Facility
Transit Station
Bus Transfer Facility
I–376 / Allies Ramps
HOV Facility
Bikeway
Walkways
Ross Street
Boulevard of the Allies
Crosstown Boulevard
B Street
Fort Pitt Blvd Extension
Monongahela River
Proposed
Center
Liberty Bridge
Second Avenue
I-376 Westbound
I-376 Eastbound
Proposed Transportation
Infrastructure for
Golden Triangle I-376
Intermodal Transportation
Center
Scale in Feet
0 40 80 120
A PAGIS Product
Department of City Planning
Pittsburgh PA
N



Golden Triangle I–376 Intermodal Transportation Center



NORTH SIDE I–279 INTERMODAL TRANSPORTATION CENTER

FALL 1992

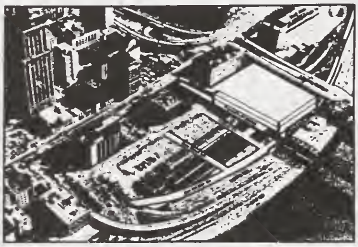
TRIANGLE COMMUTER NEWS

A Publication of the Southwestern Pennsylvania Regional Planning Commission

Ridesharing? Call 471-POOL

City Explores Major New Parking Facilities

Two large-scale garages which would directly link Parkway commuters to parking, public transit, and walkways into the Golden Triangle, are among Pittsburgh's top priorities for funding under key provisions of ISTEA, the 1991 federal surface transportation act, according to city planning director Jane Downing. The largest of the two facilities, referred to as Intermodal Transportation Centers, or ITCs, would be located on the site of the former CSX railroad station, bordering the Parkway East. A similar project would be located on the North Side, adjacent to the Parkway North.



Intermodal Transportation Center

A massive new parking and transfer facility, which would tie into the Parkway East and PAT's T-line as well as local streets, has been proposed for the former CSX railroad site.

Several key design features set ITCs apart from traditional parking garages. One is their size. While most public parking garages hold 500-800 cars, the proposed CSX facility could accommodate as many as 3,000 in its final phase. Direct access into the garages from highway HOV lanes is also a distinguishing feature. Entry ramps dedicated to high occupancy vehicles would facilitate preferential parking rates for HOV cars and vans. Integral transit stops, including a subway station along PAT's T-line between Steel Plaza and the Panhandle LRT Bridge, would speed commuters to their final destinations. And a parking advisory system would alert short-term parkers to available spaces downtown while directing full-day parkers to spaces within the ITC.

Money authorized by ISTEA encourages projects that emphasize HOV strategies, congestion reduction, reduced exhaust emissions, and intermodal transfers. Congestion relief provided by the fringe locations of the ITCs would be most evident inside the Golden Triangle, according to Ms. Downing. Cars that would otherwise have to wait in line for access to downtown garages will no longer need to tie up busy streets.

If approved, the federal government would underwrite 80 percent of the the project's estimated $70 million cost. Barring unforeseen problems and delays, phase one of the North Side facility could begin operation by 1994 and construction of the CSX center could begin as soon as early 1994, Ms. Downing said.

CITY OF PITTSBURGH
INTERMODAL TRANSPORTATION CENTERS
ISTEA FUNDING REQUEST

	TOTAL SPACES	TOTAL COSTS	ISTEA FUNDS
NORTH SIDE I–279 ITC			
Phase 1 – Lot / Bus Station	550		
ROW Purchase		$ 3.10M	$ 2.48M
Surface Lot / Station Engineering		$ .42M	$ .34M
GOLDEN TRIANGLE I–376 ITC			
Phase 1 – Garage / Bus Facility	1,350		
Engineering		$2.1M	$ 1.68M
TOTAL		$ 5.62M	$ 4.50M

CITY OF PITTSBURGH
INTERMODAL TRANSPORTATION CENTERS
FUNDING ELIGIBILITY

FUNDING ELIGIBILITY OF ITC COMPONENTS

	IM	NHS	STP	STP SAF	STP ENH	CMAQ	BRDG	FTA	PPA
1. Parking Facility		X	X			X			X
2. Transit/Bus Station		X	X			X		X	
3. Interstate Exit Ramp	X	X							
4. Allies Bridge			X				X		
5. HOV Facility		X				X			
6. Local Streets		X	X						
7. Walkways/Bikeways		X			X	X			

3/93

Mr. Foglietta. Thank you, Madam Mayor.

Secretary Yerusalim, do you have a statement you wish to make?

Secretary Yerusalim. Yes, I do. Thank you.

Mr. Chairman and members of the subcommittee, it is a pleasure to be here.

First, Mr. Chairman, I quote you quite often because I Chair several committees. Last year, you said that your interest would be inversely proportional to the amount of time that we took. [Laughter.]

Secretary Yerusalim. So my presentation will be short and I will not read it. I believe you have a copy of it.

Mr. Carr. The meter is running down. [Laughter.]

Secretary Yerusalim. This project is a prime example of a partnership between the Port Authority Transit, Allegheny County, the city of Pittsburgh, the Federal Transit Administration, the Federal Highway Administration, and the Commonwealth of Pennsylvania.

Our share of phase I of this partnership includes $55 million in flexible funding and $70 million in general Commonwealth of Pennsylvania bond funds. We think that the project has long-term benefits to the entire region, but there is even a more important reason for this project to be expedited, and we seek your help today.

If you will look at the map, the busway is shown in red. That is phase I that goes from Carnegie to downtown Pittsburgh through a Wabash tunnel, then a bridge that will cross the river.

It is important that that project be completed as quickly as possible because this bridge here carries 144,000 vehicles per day. That bridge needs major rehabilitation and we are doing everything we can to keep it patched together so that we will not have to rehabilitate it until after phase I of the busway and the HOV Wabash tunnel and the bridge is completed because when we do that rehabilitation we will have to close the bridge for 5 months one year in one direction and for 5 months the other year in the other direction. It is a two-level bridge.

That means that if there are 72,000 vehicles that will have to find other ways to get to Pittsburgh. The busway, HOV facility, and hopefully the use of the busway as an HOV facility during the reconstruction of that bridge are key to the congestion mitigation strategy for the city of Pittsburgh.

I have been very concerned since the billion dollar airport was planned that we have to find a way to provide better transportation between the airport and the city of Pittsburgh. I think this project will go a long way toward that.

Thank you very much.

[The prepared statement of Secretary Yerusalim follows:]

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TRANSPORTATION AND RELATED AGENCIES

HEARING ON

FY 1994 TRANSPORTATION APPROPRIATIONS

WEDNESDAY, MARCH 24, 1993

WASHINGTON, D.C.

HOWARD YERUSALIM, P.E., SECRETARY

Pennsylvania Department of Transportation

1200 Transportation and Safety Building

Harrisburg, Pennsylvania 17120

Chairman Carr, Congressman Foglietta and distinguished members of the Subcommittee, I am Howard Yerusalim, Secretary of Transportation for the Commonwealth of Pennsylvania. It is a pleasure to appear before you today. In Pennsylvania, we are grateful for the past support of this Subcommittee in funding our transportation system and anticipate your continued encouragement and help in the future.

Today, as I did last year, I am joining with my colleagues from Western Pennsylvania to speak in support of the Airport Busway/Wabash High Occupancy Vehicle (HOV) project. This project is of vital importance for access to Pittsburgh's Central Business District, known as the Golden Triangle, from the recently-opened $1 billion terminal/expressway at the Pittsburgh International Airport. It will also help to alleviate traffic congestion in the rapidly growing Parkway West Airport Corridor.

The Airport Busway/Wabash HOV project is a true intermodal project--it provides connections among several modes, it serves transit and other high occupancy vehicles, and it builds on the past success of dedicated busways in Pittsburgh which link key points in the transportation network. The project is proposed to be implemented in three stages: Phase 1 from downtown Pittsburgh to Carnegie; Phase 2 from Carnegie to the Southern Expressway via the Parkway;

and, Phase 3 to the Airport along the Southern Expressway median. Park-and-ride facilities are an important element of the project.

The Airport Busway/Wabash HOV project has become increasingly important due to the need to rehabilitate the Fort Pitt Bridge and Tunnels. The Fort Pitt Bridge serves an average of 143,800 vehicles each day. Once the rehabilitation work begins, traffic will be seriously disrupted; and the alternate routes into the City of Pittsburgh will experience a significant increase in traffic flow. The Airport Busway/Wabash HOV Phase 1 will provide a practical alternative to commuters and other travelers during the two-year Fort Pitt rehabilitation project. As stated to this Subcommittee previously, I will postpone rehabilitation of the Fort Pitt Bridge and Tunnels as long as safely possible to allow time for construction of Phase 1 of the Airport Busway/Wabash HOV project from downtown Pittsburgh to Carnegie.

The Pennsylvania Department of Transportation is working with the Federal Highway Administration, the Federal Transit Administration, the Port Authority of Allegheny County, Southwestern Pennsylvania Regional Planning Commission, affected local municipalities, and others to advance the Airport Busway/Wabash HOV project to construction. This cooperative venture on a major intermodal project is a prime example of putting the intent and spirit of the Intermodal Surface Transportation Efficiency Act to work.

Since I spoke to this Subcommittee last year, the Port Authority's study of Phase 1 has been completed. An Alternatives Analysis/Draft Environmental Impact Statement was released and public hearings were held. Requests for Proposals were issued in early February to hire consultants to prepare the Final Environmental Impact Statement and to perform General Architectural and Engineering Consultant services, consisting of preliminary engineering, final design and construction management. It is expected that both consultants will begin work in May 1993. We are anxious to begin work on the construction of this project in 1994.

One of the critical elements of the Airport Busway/Wabash HOV facility project is financing. A comprehensive financial plan has been under development. It includes elements of federal, state and local resources totaling $250 million[1]. In order to make the plan work, we need the support of this Subcommittee. I urge you to give favorable consideration to the $56.5 million federal funding request presented today for this critical project.

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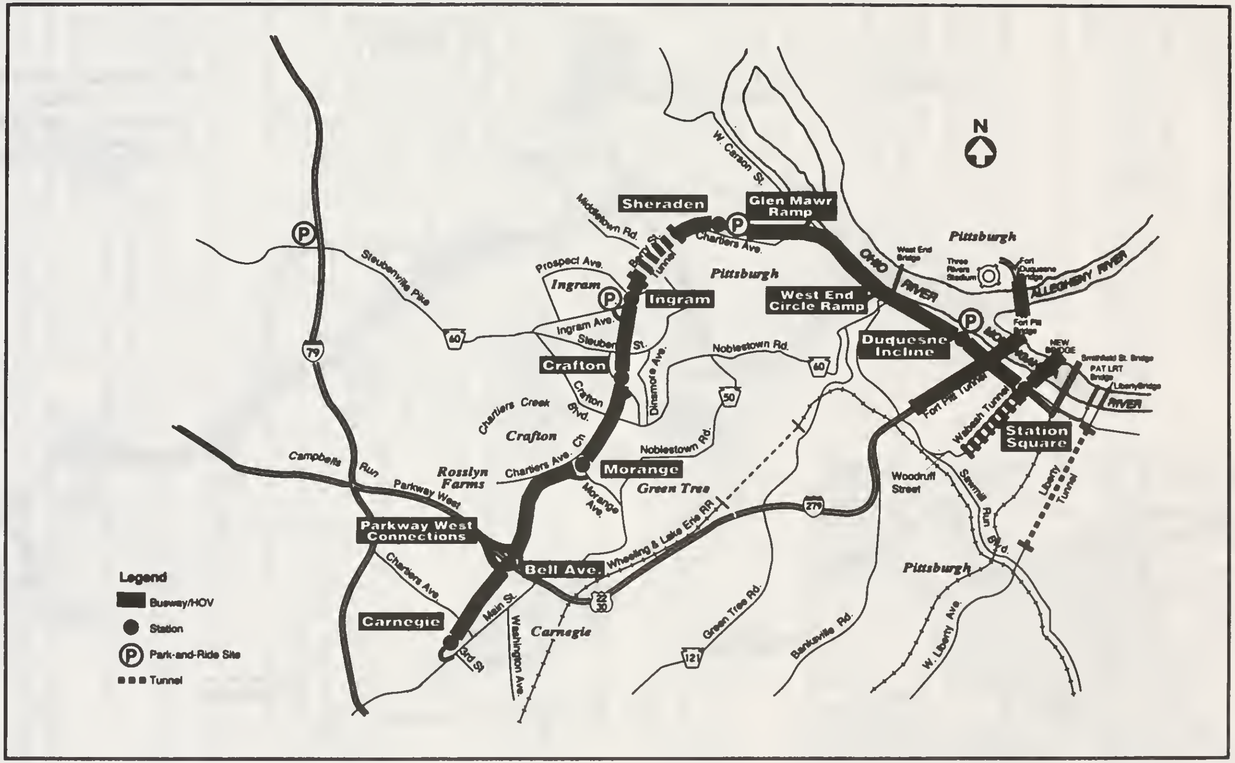
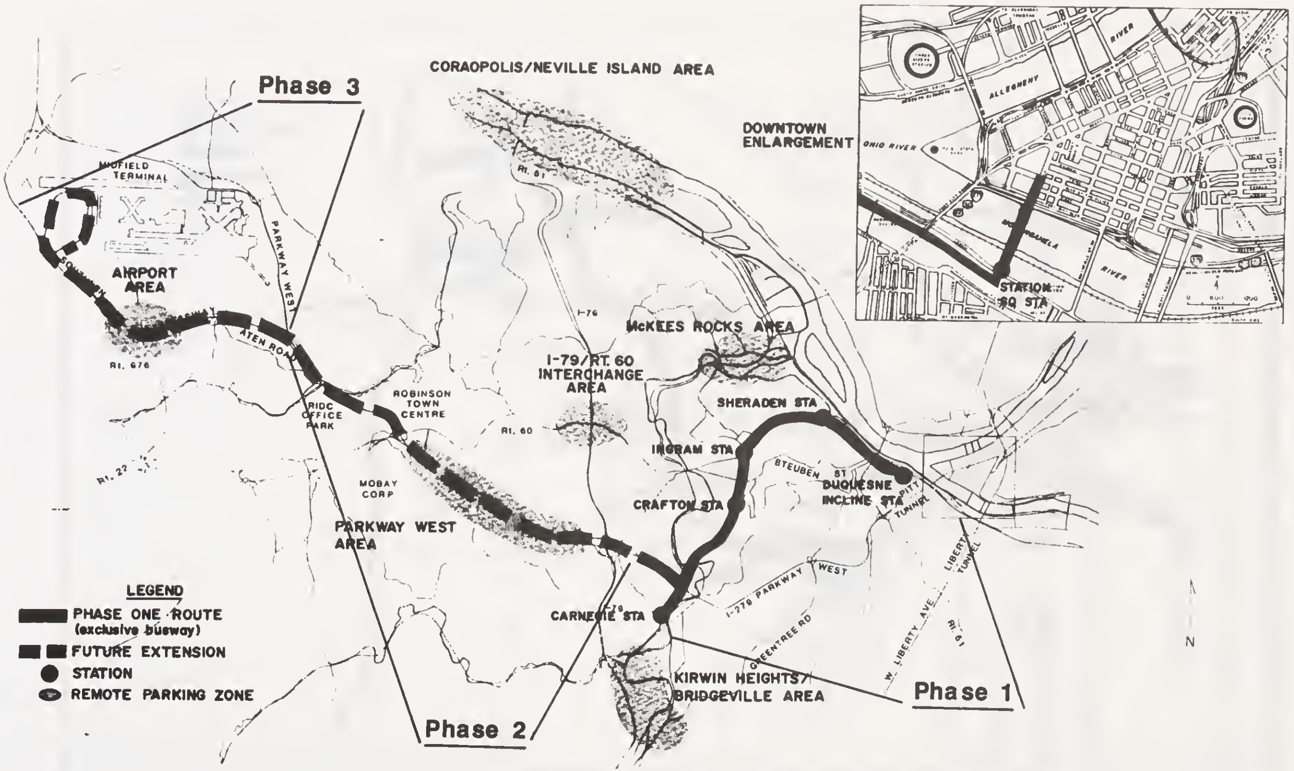
[1] On the state side, the financial plan includes $70 million in state general funds and up to $55 million in flexible federal funds authorized under the Intermodal Surface Transportation Efficiency Act (ISTEA). On the local end, elements of the financial plan include earmarked funds in ISTEA and past appropriations acts as well as expected allocation in the FY 1994 and FY 1995 appropriations bills.

The cooperation of all parties involved in this project will make it an unqualified success and a demonstration of how intermodal projects such as this can and will reduce congestion and air pollution and improve mobility for the people of this country.

Thank you for the opportunity to testify today.

PITTSBURGH – AIRPORT BUSWAY/HOVWAY





PRELIMINARY BUSWAY ALTERNATIVE

Mr. FOGLIETTA. I thank you, sir.

Mr. Wolf?

Mr. WOLF. Thank you.

I welcome you all to the committee. I went to Penn State and graduated in 1961. Mr. Foglietta and I come from the same neighborhood.

I wanted to ask you a couple of questions. Is it HOV–2 or HOV–3?

Secretary YERUSALIM. We expect that to be HOV–3. That has been very controversial in the Pittsburgh area on the interstate facility that has an HOV. We have tried two people in the HOV for a pilot project now.

Mr. WOLF. HOV–2 generally works better. We have an HOV–4 here and it has not worked. We dropped it to HOV–3. I think it is something that you should look at very carefully. Once you implement it, you can never go back, but if you put in HOV–3 and this lane is empty, you will have a problem.

What will be the hours, and will it be a reversible lane?

Secretary YERUSALIM. It will be a reversible lane with the Wabash Tunnel and the bridge because it will be inbound in the morning and outbound in the evening, and it will tie to the reconstruction of the other bridge in that it will be in the direction it is closed.

Mr. WOLF. Will there be a separation from the other lanes, or will it be a diamond lane?

Secretary YERUSALIM. The way this will work is that the busway is an exclusive facility. The Wabash Tunnel and the new bridge are also exclusive facility. So they will only be buses and HOVs.

Mr. WOLF. How much total are you requesting?

Mr. FOERSTER. This year, $56.5 million.

Mr. WOLF. I saw one with $4.5 million.

Mr. MILLAR. For the airport busway, Wabash HOV, our request this year is $56.5 million. We are suggesting that it would be the fulfillment of a $39.5 million authorization that was included in 1069 of the ISTEA legislation, plus a $17 million earmark of the new start section 3 is our suggestion, but we will take it any way it is offered.

Mr. WOLF. What will the total Federal, State, and local be when you combine them?

Mr. MILLAR. For this project, we are anticipating an 80 percent Federal share and a 20 percent non-Federal share.

Mr. WOLF. Is the 20 percent non-Federal share all in dollars?

Mr. MILLAR. Yes, sir.

Secretary YERUSALIM. Mr. Wolf, may I add that the match at this point in time is $70 million from the Commonwealth of Pennsylvania. I believe that that is a little more than 20 percent.

Mr. WOLF. Does Congressman Santorum support this?

Secretary YERUSALIM. Yes.

Mr. MILLAR. I believe he is going to be submitting testimony. I spoke with one of his aids this morning and he was unable to be with us today. He was with us last year when we testified.

Mr. WOLF. He spoke to me about a busway.

Mr. MILLAR. This would be the one he spoke about, sir.

Mr. CARR. In your mix of financing, are you planning on taking any section 9 and calling to local match?

Mr. MILLAR. We will not be using section 9 for the engineering or construction portions of this project. We did use section 9 money for the alternatives analysis and some of the system level planning activity. Our section 9 money in Pittsburgh is fully programmed for routine bus replacement and projects of that sort.

Mr. CARR. What is the projected ridership?

Mr. MILLAR. The projected ridership for the full facility, including the people on the buses and the people in the HOV lanes, is 59,000 persons per day in the year 2005.

Mr. CARR. How are those projections arrived at?

Mr. MILLAR. Those are arrived at using the federally mandated planning models. We used the Federal Transit Administration and Federal Highway Administration prescribed procedures in that regard since we are using both FTA and FHwA funds for the project.

Mr. CARR. What is the projected local match?

Mr. MILLAR. The non–Federal match is projected at at least 20 percent, though as Secretary Yerusalim correctly said, the Commonwealth may put additional money in on top of that.

Mr. CARR. Does Pittsburgh have a dedicated local source of operating revenue?

Mr. MILLAR. We have a State-dedicated tax that supports both operations and some capital funding in Pennsylvania.

Mr. CARR. Is that subject to annual appropriations?

Mr. MILLAR. It is not. It is set up by the Legislature, paid into a public transit improvement trust fund, and then allocated by a legislatively set formula to the various transit agencies in the State.

Mr. CARR. Can you briefly describe what that formula is?

Mr. MILLAR. Briefly, it results in about 70 percent of the funding going to the Philadelphia area, about 25 percent going to Pittsburgh, and the remaining funding spread among the various rural and urban areas throughout Pennsylvania.

Mr. CARR. I might make a suggestion to you on your HOV as well. This is coming from the auto State. HOV–2 would be preferable, but if you have HOV–3, I think it is only fair to make it HOV–3 or capacity. We have a lot of two-seated vehicles now. The fact of the matter is that we don't like to see local units of government trying to direct people in their choices of vehicles.

It may well be that from a particular commuter's point of view a light, more fuel-efficient two-seater vehicle makes a lot of sense. But if their trip in the morning is enhanced by an HOV–3, then they are going to buy a larger automobile, or you unsafely cram three people into a vehicle with an occupancy of two.

Two-seater vehicles do pay highway taxes, do contribute to the trust fund, et cetera. I feel very strongly that they shouldn't be excluded from the community.

So if you need to go to HOV–3, please make it HOV–3 or capacity. That covers the problem.

Secretary YERUSALIM. Thank you very much, Mr. Chairman. It is of interest with your comment about HOV–2 working better. On our interstate facility that goes north of the city of Pittsburgh, we started with HOV–3 and the usage was not what we anticipated.

We reduced it to HOV–2 for a pilot and I am not sure that it will ever change back to HOV–3.

Mr. CARR. How much of the $4.5 million you're requesting is for bikeways or parking garages?

Mayor MASLOFF. We haven't decided on a percentage yet. We need the funds to decide first. We haven't decided that yet. Our bikeways, of course, are not a primary interest. It is the HOV lanes first and the busway.

Mr. FOERSTER. The city and the county, together with our other 129 municipalities in Allegheny County, are working on a rails-to-trails program which will include bikeways. I don't have the total amount as of this moment that we're planning to ask for, but we are going to have an extensive network in Allegheny County of bikeways going from the extreme north into Butler County all the way into the city of Pittsburgh.

We don't have that plan all put together yet, but we have started to acquire some of the property already. We will be asking for money specifically for our bikeway and rails-to-trails program.

Mr. FLAHERTY. Much of the bikeways will go over abandoned railroad rights-of-way. That's where the planners are looking to put the bikeways and along the river fronts.

Mr. CARR. There has been some talk about maglev in Pittsburgh. Where is all that talk?

Secretary YERUSALIM. First of all, we have included $2 million that the Governor is ready to release. We would hope that the Federal funds that were in the ISTEA would be released because we would like to utilize that as match. But we are involved in a feasibility study with a group called Maglev, Incorporated in Pittsburgh. We think that Pittsburgh can compete for that maglev demonstration program and can compete very well.

We would very much like to see the Federal funds included in ISTEA actually being appropriated.

Mr. CARR. We'll see. [Laughter.]

Any proposed maglev would be from the airport to the center of the city?

Mr. FLAHERTY. Yes.

Mr. CARR. What would that take in terms of 59,000 per day?

Mr. MILLAR. We believe that the maglev project and the busway projects serve different types of market. We don't believe there is much relationship in the ridership there. The maglev we view as a demonstration program, economic development whereas the busway can serve not only the downtown to airport trip, but all the neighborhood trips in between.

We serve on the maglev advisory committees and we coordinate our information and make sure that the projects—if they are both to go forward—can physically be built in the same space, where that is appropriate. But we see them as two different projects, in two different time frames, serving two different purposes.

Mr. CARR. If we were to tell you that you could have one but not both, which would it be?

Mr. FOERSTER. Busways are vital. We're going to show you a plan this summer when Maglev, Incorporated has their feasibility study completed. We will ask you to take a look at it as they will be in competition with other maglev proposals from around the country.

If we stack up number one, we would expect to get it. If we don't, then we don't get it.

Secretary YERUSALIM. I would like to add to that also that this bridge needs rehabilitation now. We may be able to delay it until 1996 or 1997. We need the busway built before then, at least phase I. That is an immediate need. I see maglev as a longer range technology.

Mr. FLAHERTY. That covers what I was going to say.

If you're going to have a test program anywhere, we would like to have it, but really the immediate need is the one we are presenting this morning on the busway.

Mr. CARR. So if we're going to waste money, we ought to waste it in Pittsburgh. [Laughter.]

Mr. FLAHERTY. I wouldn't call it a waste. The way I understand it, it is a great experimental technology. If it comes, we would like to have it.

Mr. CARR. I do applaud you for your busway. I have been a proponent of busways over light rail for many, many years. It has a great deal of flexibility and a great deal of utility. Unfortunately in the past, 70 percent of the transit riders in America ride a bus, and yet buses manage to get only about 30 percent of the dollars. That is a balance that within transit we ought to redress. I applaud you for taking the busway around.

Thank you all very much.

[The prepared statements of Mr. Millar and the Hon. Santorum follow:]

STATEMENT OF
WILLIAM W. MILLAR
EXECUTIVE DIRECTOR
PORT AUTHORITY OF ALLEGHENY COUNTY

ON

FISCAL YEAR 1994 FEDERAL TRANSPORTATION APPROPRIATIONS

SUBMITTED TO THE

SUBCOMMITTEE ON TRANSPORTATION APPROPRIATIONS
OF THE
APPROPRIATIONS COMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES

HONORABLE ROBERT CARR, CHAIRMAN

MARCH 24, 1993

GOOD MORNING CHAIRMAN CARR AND DISTINGUISHED MEMBERS OF THE HOUSE TRANSPORTATION APPROPRIATIONS SUBCOMMITTEE. MY NAME IS WILLIAM W. MILLAR, EXECUTIVE DIRECTOR OF PORT AUTHORITY OF ALLEGHENY COUNTY - THE PRINCIPAL PUBLIC TRANSPORTATION AGENCY SERVING THE PITTSBURGH URBANIZED AREA. PORT AUTHORITY - WHICH LOCAL RESIDENTS KNOW SIMPLY AS "PAT" - SERVES APPROXIMATELY 285,000 CUSTOMERS EACH DAY THROUGH A VARIETY OF TRANSIT SERVICES INCLUDING BUS, LIGHT RAIL, INCLINE AND THE "ACCESS" PARATRANSIT PROGRAM FOR ELDERLY AND DISABLED PERSONS.

I AM PLEASED TO BE HERE TODAY TO DISCUSS THE IMPORTANCE OF FY 1994 TRANSPORTATION APPROPRIATIONS AND TO DISCUSS PAT'S HIGHEST PRIORITY CAPITAL PROJECT, THE BUSWAY SYSTEM EXPANSION PROGRAM. THE BUSWAY EXPANSION PROGRAM INCLUDES THE PHASE I AIRPORT BUSWAY / WABASH HOV AND THE PHASE I EXTENSION OF THE MARTIN LUTHER KING, JR. EAST BUSWAY. THESE EXTREMELY IMPORTANT TRANSIT PROJECTS WILL SERVE ALMOST 110,000 PERSONS PER DAY LINKING PEOPLE WITH JOBS AROUND THE NEW PITTSBURGH INTERNATIONAL AIRPORT OPENED IN OCTOBER OF 1992. ALLEGHENY COUNTY TAKES GREAT PRIDE IN ITS STANDING AS THE WORLD'S BUSWAY PIONEER. THE TIME IS RIGHT TO COMPLEMENT OUR SUCCESSFUL BUSWAY NETWORK WITH THE BUSWAY SYSTEM EXPANSION PROGRAM. THE FISCAL YEAR 1994 TRANSPORTATION APPROPRIATIONS BILL WILL BE A KEY TO MAKING THIS EXCITING PROJECT HAPPEN.

RENEWED NATIONAL FOCUS ON INFRASTRUCTURE AND THE ECONOMY

IT IS EXTREMELY HEARTENING TO COME TO WASHINGTON THESE DAYS AND HEAR BOTH CONGRESS AND THE ADMINISTRATION SPEAK OF THE LINK BETWEEN TRANSPORTATION INFRASTRUCTURE INVESTMENTS AND THE LONG TERM HEALTH OF OUR NATIONAL ECONOMY. PRESIDENT CLINTON'S ECONOMIC PROPOSALS WOULD PROVIDE FOR LONG TERM INFRASTRUCTURE INVESTMENTS, A STIMULUS PACKAGE FOR THE SHORT-TERM REVITALIZATION OF THE ECONOMY, AND A PLAN TO REDUCE THE FEDERAL DEFICIT. WHILE ALL OF CONGRESS WILL BE INVOLVED IN CONSIDERING THE ADMINISTRATION'S PROPOSALS, IN THE END IT WILL BE UP TO THE APPROPRIATIONS COMMITTEES TO IMPLEMENT ALL POLICIES AND PRIORITIES.

PORT AUTHORITY IS WELL POSITIONED FOR ANY ECONOMIC STIMULUS LEGISLATION, AS SEVERAL KEY PROJECTS ARE READY TO GO AND COULD BEGIN IMMEDIATELY. CONTRACTS EXCEEDING $67 MILLION AND GENERATING OVER 3,600 JOBS COULD BE AWARDED BY SEPTEMBER. I COMMEND THE SUBCOMMITTEE FOR ITS POSITIVE ACTIONS REGARDING THE TRANSPORTATION COMPONENTS OF THE STIMULUS PACKAGE, AND URGE ALL OF CONGRESS TO PROVIDE SPEEDY APPROVAL SO THAT SUCH FUNDS CAN BEGIN TO MEET TRANSIT CAPITAL NEEDS AND PUT PEOPLE BACK TO WORK.

BEYOND THIS, THE NEED FOR LONG TERM TRANSPORTATION INVESTMENTS IS EVEN MORE PARAMOUNT. THE FY 1994

TRANSPORTATION APPROPRIATIONS BILL NEEDS TO FULLY FUND THE PROGRAM LEVELS ESTABLISHED BY THE INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1991. ISTEA ESTABLISHED A BALANCED, INTERMODAL PROGRAM INTENDED TO ACCOMMODATE THE FUNDAMENTAL REINVESTMENT NEEDS OF BOTH HIGHWAY AND TRANSIT WHILE PROVIDING FOR FLEXIBLE FUNDING PROGRAMS WHICH REGIONAL DECISIONMAKERS COULD DIRECT TO EITHER HIGHWAY OR TRANSIT PROJECTS. I AM DISAPPOINTED, HOWEVER, THAT THE ADMINISTRATION STRAYED FROM THIS INTERMODAL APPROACH AND HAS PROPOSED TO FULLY FUND TITLE 23 HIGHWAY PROGRAMS IN 1994, BUT HAS PROPOSED LESS THAN FULL FUNDING FOR THE TRANSIT PROGRAM. FEDERAL FUNDING FOR TRANSIT HAS DECLINED FROM $4.6 BILLION IN 1981 TO $3.8 BILLION IN THE CURRENT YEAR, WHILE FUNDING FOR TITLE 23 HIGHWAY PROGRAMS INCREASED FROM $9.1 BILLION TO MORE THAN $18 BILLION OVER THE SAME PERIOD.

AS I HAVE NOTED, PEOPLE IN ALLEGHENY COUNTY RELY HEAVILY ON PUBLIC TRANSPORTATION TO TRAVEL TO AND FROM THEIR JOBS, TO SHOP, TO WORSHIP, TO GO TO SCHOOL OR TO PURSUE OTHER SOCIAL AND PROFESSIONAL NEEDS. A FEDERAL COMMITMENT TO TRANSIT USE IS ESSENTIAL TO ENSURING THIS MOBILITY FOR ALL AMERICANS, AND FOR REDUCING AIR POLLUTION, ENERGY USE AND CONGESTION.

IT IS CRITICAL THAT BOTH THE HIGHWAY AND TRANSIT COMPONENTS OF ISTEA BE FUNDED AT FULLY AUTHORIZED LEVELS, INCLUDING FLEXIBLE FUNDING PROGRAMS SUCH AS THE SURFACE

TRANSPORTATION PROGRAM (STP) AND THE CONGESTION MITIGATION AND AIR QUALITY (CMAQ) PROGRAM.

THE ADMINISTRATION HAS ALSO PROPOSED TO EXTEND THE CURRENT 2.5 CENT PER GALLON GASOLINE EXCISE TAX THAT IS SCHEDULED TO EXPIRE IN 1995. HOWEVER, THE ADMINISTRATION'S PROPOSAL WOULD DEPOSIT ALL OF THE REVENUE IN THE HIGHWAY ACCOUNT OF THE HIGHWAY TRUST FUND. THIS WOULD VIOLATE PRINCIPLES ESTABLISHED IN 1983 AND 1990, WHEREIN 20 PERCENT OF GAS TAX INCREASES DEDICATED TO TRANSPORTATION WERE CREDITED TO THE MASS TRANSIT ACCOUNT. GIVING THE HIGHWAY ACCOUNT TWO CENTS PER GALLON OF THIS TAX IS ENOUGH TO COVER EXPECTED HIGHWAY ACCOUNT SPENDING IN THE ISTEA AUTHORIZATION PERIOD (THROUGH FY 1997), LEAVING ROOM TO GIVE A HALF-CENT TO THE MASS TRANSIT ACCOUNT - WHERE REVENUE IS NEEDED TO MEET THE FUNDING NEEDS OF TRANSIT.

WITHIN THE TRANSIT PROGRAM ITSELF, PORT AUTHORITY URGES EQUITABLE APPROPRIATIONS TO ALL COMPONENTS OF THE PROGRAM. SECTION 9 FORMULA FUNDING NEEDS TO BE INCREASED IN ORDER TO BOLSTER THE FUNDAMENTAL OPERATING AND CAPITAL ACTIVITIES FUNDED THROUGH SECTION 9.

I ALSO STRONGLY URGE THAT FEDERAL OPERATING ASSISTANCE BE FUNDED IN ACCORDANCE WITH THE LIMITS ESTABLISHED BY ISTEA. DOESN'T IT MAKE SENSE TO SPEND A FEW CENTS MORE EACH YEAR TO SEE THAT THE CAPITAL DOLLARS WE HAVE INVESTED ARE MAINTAINED

AND UTILIZED? AS EXECUTIVE DIRECTOR OF A LARGE TRANSIT SYSTEM I WANT TO ASSURE MEMBERS OF THE SUBCOMMITTEE THAT OPERATING ASSISTANCE IS CRITICAL TO MY AGENCY AND TO THE SERVICES PROVIDED TO OUR 285,000 DAILY RIDERS. OPERATING ASSISTANCE IS NOT A BIG SYSTEM VS. SMALL SYSTEM ISSUE.

PUBLIC TRANSPORTATION IN ALLEGHENY COUNTY

WITHOUT QUESTION, PITTSBURGH AND ALLEGHENY COUNTY ARE THE FOCAL POINTS OF WESTERN PENNSYLVANIA. WE ARE ALWAYS QUICK TO REMIND EVERYONE OF OUR RECOGNITION AS AMERICA'S MOST LIVABLE COMMUNITY. PITTSBURGH AND ALLEGHENY COUNTY ARE A CORPORATE CENTER, A CULTURAL CENTER, A MEDICAL CENTER, AN EDUCATION CENTER, A SPORTS CENTER, AND A CENTER OF DIVERSE NEIGHBORHOODS.

MOREOVER PITTSBURGH AND ALLEGHENY COUNTY TAKE GREAT PRIDE IN THEIR COLLECTIVE STANDING AS A TRANSPORTATION CENTER.

PAT OPERATES 900 BUSES, 71 LIGHT RAIL VEHICLES AND TROLLEYS, AND OWNS TWO INCLINED PLANES. PAT CONTRACTS THROUGH AN INDEPENDENT BROKER THE SERVICES OF 13 PRIVATE CARRIERS FOR THE "ACCESS" PROGRAM, THE WORLD'S LARGEST COORDINATED PARATRANSIT SYSTEM, CARRYING OVER 2.2 MILLION RIDERS PER YEAR. IN THE 1980'S PAT OPENED A NEW DOWNTOWN SUBWAY, PART OF PAT'S HIGHLY SUCCESSFUL STAGE I LIGHT RAIL TRANSIT.

THE SUCCESS OF THIS PROGRAM HAD LED TO THE DESIRE TO EXTEND THE SYSTEM TO THE NORTHSIDE AND THE OAKLAND SECTION OF THE CITY OF PITTSBURGH. IN ADDITION THERE REMAINS 12 MILES OF LINE WHICH MUST BE REHABILITATED. WHEN THESE PROJECTS ARE COMPLETED LIGHT RAIL RIDERSHIP SHOULD APPROACH 110,000 PER DAY.

BUT IT HAS BEEN OUR PIONEERING OF THE CONCEPT OF BUSWAYS WHERE PERHAPS WE HAVE BEEN MOST INNOVATIVE. WITH THE HELP OF THIS SUBCOMMITTEE PAT OPENED THE WORLD'S FIRST TRULY EXCLUSIVE BUSWAY - THE SOUTH BUSWAY - IN 1977. THIS 4.0 MILE ROADWAY ALLOWS PAT BUSES SERVING 16,000 DAILY RIDERS TO BYPASS HEAVILY CONGESTED ROADS AND TUNNELS IN THE SOUTH HILLS COMMUNITIES OF ALLEGHENY COUNTY.

IN 1983 WE EXTENDED THIS CONCEPT TO EASTERN NEIGHBORHOODS OF PITTSBURGH AND ALLEGHENY COUNTY WHEN WE OPENED THE MARTIN LUTHER KING, JR. EAST BUSWAY. THIS 6.8 MILE ROADWAY RUNS FROM DOWNTOWN PITTSBURGH TO SUBURBAN WILKINSBURG, EACH DAY TRANSPORTING APPROXIMATELY 30,000 RIDERS QUICKLY AND EFFICIENTLY TO THEIR DESTINATIONS.

THE EAST BUSWAY ALONG WITH OUR REHABILITATED LIGHT RAIL LINE SERVING THE SOUTH HILLS ARE BOTH GENERATING CONSIDERABLE PRIVATE INVESTMENT AND ECONOMIC DEVELOPMENT.

PAT AND THE CITY OF PITTSBURGH HAVE ALSO SUCCESSFULLY IMPLEMENTED A SERIES OF EXCLUSIVE BUS LANES WITHIN THE CITY

STREET NETWORK. THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION HAS ALSO DEDICATED FOR HIGH-OCCUPANCY VEHICLE USE A TWO-LANE SEGMENT OF THE RECENTLY OPENED "PARKWAY NORTH" (I-279).

IN SUMMARY, ALLEGHENY COUNTY HAS DEVELOPED AND HAS INVESTED IN A VERY DIVERSE PUBLIC TRANSPORTATION SYSTEM. WHILE WE ARE PLEASED WITH OUR RAIL SYSTEM AND HOV FACILITIES, WE FIND BUSWAYS TO BE PARTICULARLY PROMISING IN SEVERAL KEY CORRIDORS.

CAPITAL AND OPERATING EFFICIENCIES OF BUSWAY TECHNOLOGY

WITH THE 1977 OPENING OF THE SOUTH BUSWAY PAT SHOWED THE WORLD A NEW TRANSPORTATION INNOVATION. THE ADVANTAGES OF BUSWAYS HAVE INDEED PROVEN TO BE QUITE FORMIDABLE.

BUSWAYS SERVE AS AN EXTENSION OF THE URBAN STREET AND ROADWAY SYSTEM. BUSWAYS ALLOW THE FLEXIBILITY FOR BUSES TO PICK UP PASSENGERS ANYWHERE ON THE STREET NETWORK, THEN FEED INTO THE BUSWAY TRUNKLINE FOR AN EXPRESS TRIP TO DOWNTOWN OR OTHER DESTINATIONS. THESE BUSES - ALWAYS FULLY LOADED DURING PEAK HOURS IN THESE DENSE URBAN CORRIDORS - BYPASS THE AUTOMOBILE-CAUSED CONGESTION OF THE PARALLEL ROADWAYS

BUSWAYS CAN ALSO OPERATE VERY MUCH LIKE RAPID RAIL, IN THE SENSE THAT THEY OPERATE ON A FIXED-FACILITY AND HAVE STATION STOPS ALONG THE ROUTE. RIDERSHIP AT THE STATIONS ALONG THE MARTIN LUTHER KING, JR. EAST BUSWAY IS SUCH THAT PAT OPERATES EXTRA-CAPACITY ARTICULATED BUSES, THUS ALLOWING CONSIDERABLE PRODUCTIVITY SAVINGS.

BUSWAYS DEPEND MUCH LESS ON PARK-AND-RIDE TRAVELERS THAN DO URBAN RAIL SYSTEMS, HAVING THE FLEXIBILITY OF COLLECTING PASSENGERS FROM NEIGHBORHOOD ROUTES AND THEN MOVING INTO THE BUSWAY TRUNKLINE VIA NUMEROUS ACCESS POINTS. BUSWAYS ARE ALSO LESS VULNERABLE TO BREAKDOWNS THAN ARE URBAN RAIL SYSTEMS, THUS ALLOWING FOR CONTINUOUS FREE FLOW OF TRAFFIC. THIS HELPS MINIMIZE SERVICE DISRUPTIONS CAUSED BY EQUIPMENT FAILURE.

IN PROVIDING RIDERS WITH SIGNIFICANT TIME SAVINGS, BUSWAYS ALSO ALLOW CONSIDERABLE SAVINGS IN OPERATING COSTS BY REDUCING THE OPERATOR-HOURS INVOLVED IN EACH TRIP. SIGNIFICANT PRODUCTIVITY BENEFITS ALSO ACCRUE FROM THE LOCATION OF A MAJOR BUS GARAGE IMMEDIATELY ADJACENT TO THE BUSWAY. "DEADHEAD" TRIPS TO AND FROM THE GARAGE ARE HASTENED BY THE BUSWAY AND THE LOCATION OF THE BUS GARAGE.

FINALLY, BUSWAYS OFFER A CONSIDERABLE SAVINGS IN CAPITAL COSTS OVER MOST OTHER TRANSPORTATION OPTIONS. BUSWAYS DO NOT REQUIRE THE SOPHISTICATED SIGNAL SYSTEM AND TRACKWORK OF

URBAN RAIL, AND CAN OPERATE WITH STANDARD, RELATIVELY INEXPENSIVE BUSES.

CHALLENGES AND OPPORTUNITIES IN A POST-INDUSTRIAL ECONOMY

THE 1980'S WAS A PERIOD OF ECONOMIC TRANSFORMATION IN SOUTHWESTERN PENNSYLVANIA. THE COLLAPSE OF THE STEEL INDUSTRY BROUGHT GREAT PAIN TO MANY PEOPLE, AND DISTRESS TO MANY COMMUNITIES. JOBS WERE LOST, PEOPLE RELOCATED TO OTHER REGIONS, AND THE COMMUNITY WAS LEFT SEARCHING FOR A NEW ECONOMIC BASE.

SINCE THEN THE REGION HAS REBOUNDED, AND IS POISED FOR FUTURE GROWTH. THE DOWNTOWN AND THE OAKLAND SECTIONS OF THE CITY ARE PROJECTED FOR CONTINUED GROWTH. THE BIGGEST JOB GROWTH AREA WILL BE WESTERN ALLEGHENY COUNTY, WHERE THE NEW PITTSBURGH INTERNATIONAL AIRPORT HAS SPARKED SIGNIFICANT PRIVATE INVESTMENT IN THIS WESTERN CORRIDOR. U.S. AIR HAS MADE A LONG-TERM COMMITMENT TO PITTSBURGH AS A HUB CITY. THE ADVANTAGES OF A LOCATION NEAR THE NEW AIRPORT, COUPLED WITH THE AVAILABILITY OF LAND IN A DESIRABLE AREA HAVE MADE THE AIRPORT CORRIDOR RIPE FOR CONTINUED DEVELOPMENT.

HOWEVER, THE WAY TO NEW ECONOMIC OPPORTUNITIES IS LADEN WITH CHALLENGES. THE CORRIDOR CURRENTLY IS SERVED WITH AN INADEQUATE ROADWAY NETWORK. IN ITS MAIN THOROUGHFARE - THE PARKWAY WEST (I-279) - COMMUTERS ENDURE DAILY TRAFFIC DELAYS

OF UP TO 45 MINUTES IN TRIPS FROM THE AIRPORT TO DOWNTOWN PITTSBURGH.

THE NEED TO IMPROVE THE LINK BETWEEN PITTSBURGH AND THE AIRPORT, AND TO PROVIDE ACCESS TO JOBS FOR PEOPLE LIVING IN THE ESTABLISHED COMMUNITIES OF ALLEGHENY COUNTY HAS LED THE SOUTHWESTERN PENNSYLVANIA REGIONAL PLANNING COMMISSION AND OTHER REGIONAL BODIES TO RECOMMEND A BUSWAY SYSTEM EXPANSION PROGRAM FOR ALLEGHENY COUNTY. THIS PROGRAM INCLUDES THE CONSTRUCTION OF A PHASE I AIRPORT BUSWAY AND PHASE I EXTENSION OF THE MARTIN LUTHER KING, JR. EAST BUSWAY.

THE BUSWAY SYSTEM EXPANSION PROGRAM IS A REGIONAL PRIORITY

THE SUBCOMMITTEE'S SUPPORT OF THIS PROJECT IN FY 1992 AND IN FY 1993 REFLECTED THE MERITS OF THE PROJECT AND ITS IMPORTANCE TO OUR REGION. THE FEDERAL TRANSIT ADMINISTRATION HAS VIEWED THE PROJECT WITH GREAT FAVOR. GROUPS SUCH AS THE ALLEGHENY CONFERENCE ON ECONOMIC DEVELOPMENT AND ALLEGHENY COUNTY'S STRATEGY 21 HAVE IDENTIFIED THE PROJECT AS A TOP PRIORITY FOR OUR REGION.

AS I NOTED IN LAST YEAR'S TESTIMONY, THE BUSWAY PROPOSED BY THE SOUTHWESTERN PENNSYLVANIA REGIONAL PLANNING COMMISSION WOULD BE CONSTRUCTED IN PHASES. THE PHASE I SEGMENT WOULD INCLUDE A BRIDGE FROM DOWNTOWN PITTSBURGH ACROSS THE MONONGAHELA RIVER, WHERE THE BUSWAY WOULD

CONTINUE ALONGSIDE AN ACTIVE RAILROAD RIGHT-OF-WAY OWNED BY CONRAIL, BRANCH ONTO AN ABANDONED RAILROAD RIGHT-OF-WAY AND EVENTUALLY CONNECT WITH THE PARKWAY WEST IN CARNEGIE BOROUGH. EIGHT PASSENGER STATIONS AND EIGHT PARK AND RIDE SITES WOULD BE BUILT AS PART OF THE PHASE I AIRPORT BUSWAY. ABOUT 30 MINUTES PROJECTED TIME SAVINGS WOULD ACCRUE TO MANY COMMUTERS USING THE BUSWAY.

THIS INTERMODAL PROJECT ALSO INCLUDES A HIGH-OCCUPANCY VEHICLE (HOV) FACILITY FROM ROUTE 51 TO DOWNTOWN PITTSBURGH USING THE EXISTING WABASH TUNNEL. THIS HOV TUNNEL WOULD SHARE A COMMON BRIDGE INTO DOWNTOWN PITTSBURGH WITH THE AIRPORT BUSWAY. THE WABASH TUNNEL IS OWNED BY PAT AND IS A COMMUNITY RESOURCE WHICH COULD BE INTEGRATED INTO AND BUILT AS PART OF AN 8.7 MILE AIRPORT BUSWAY.

WITH THE PHASE I AIRPORT BUSWAY 22,000 DAILY BUS PASSENGERS CURRENTLY TRAVELING THROUGH THE CORRIDOR IN PUBLIC OR PRIVATE BUSES WOULD GAIN THE IMMEDIATE BENEFITS OF CONGESTION-FREE SERVICE. IT IS ESTIMATED THAT RIDERSHIP WOULD DOUBLE TO MORE THAN 59,000 RIDERS PER DAY BY 2005. STUDIES HAVE SHOWN AN EXTREMELY FAVORABLE COST-EFFECTIVENESS RATING OF LESS THAN $5.00 PER NEW RIDER. OF COURSE, EACH NEW RIDER MEANS LESS CONGESTION AND FEWER POLLUTION-EMITTING AUTOMOBILES ON THE ROAD.

DURING 1992 PORT AUTHORITY COMPLETED THE REQUIRED ALTERNATIVES ANALYSIS, AND HAS PROCEEDED INTO THE PRELIMINARY ENGINEERING PHASE. PUBLIC HEARINGS ON THE ALTERNATIVES ANALYSIS BROUGHT FORTH OVER 130 COMMENTS, ONLY TWO OF WHICH DID NOT COMMENT FAVORABLY. THIS REFLECTS THE WIDESPREAD COMMUNITY SUPPORT WHICH EXISTS AND ALSO THE MINIMAL PROPERTY RELOCATION AND COMMUNITY DISRUPTION WHICH THIS PROJECT WILL BRING.

SURVIVING RECONSTRUCTION OF THE FORT PITT BRIDGE

PITTSBURGH IS A CITY OF MANY BRIDGES. FAR AND AWAY THE BUSIEST OF THESE BRIDGES IS THE FORT PITT BRIDGE, CARRYING OVER 140,000 VEHICLES EACH DAY. THE FORT PITT BRIDGE AND TUNNEL IS THE PORTHOLE INTO PITTSBURGH FROM THE AIRPORT CORRIDOR.

THE FORT PITT BRIDGE MUST UNDERGO RECONSTRUCTION WITHIN THE NEXT SEVERAL YEARS. UNLESS ALTERNATE TRANSPORTATION MEANS ARE IMPLEMENTED, ITS CLOSING WILL CAUSE GREAT ECONOMIC DISRUPTION IN THE CITY AND IN THE AIRPORT CORRIDOR.

AS NOTED EARLIER, THIS CORRIDOR ALREADY SUFFERS FROM AN ACUTE UNDERCAPACITY IN ITS TRANSPORTATION NETWORK, AND THE CLOSING OF THE FT. PITT BRIDGE COULD MAKE THIS SITUATION MANY TIMES WORSE.

THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION HAS IDENTIFIED THE AIRPORT BUSWAY AS A TRANSPORTATION STRATEGY WHICH COULD MITIGATE THE SEVERE IMPACT OF THE BRIDGE CLOSING, AND HAS INDICATED THAT IT IS WILLING TO DELAY RECONSTRUCTION OF THE BRIDGE IF THE AIRPORT BUSWAY AND ITS WABASH TUNNEL LINK CAN BE CONSTRUCTED IN AN EXPEDITIOUS TIMEFRAME.

THE IMPENDING CLOSING OF THE FORT PITT BRIDGE HAS THUS ADDED FURTHER TO THE IMPORTANCE OF THE BUSWAY SYSTEM EXPANSION PROGRAM, AND HAS MADE THE PROJECT EVEN MORE CRITICAL AND TIMELY TO THE REGION.

BUILDING ON SUCCESS: THE PHASE I EXTENSION OF THE MARTIN LUTHER KING, JR. EAST BUSWAY

AS NOTED EARLIER, THE MARTIN LUTHER KING, JR. EAST BUSWAY IS A PAT SUCCESS STORY. THE EAST BUSWAY SERVES A DENSE, URBAN CORRIDOR WHICH HAS THE HIGHEST TRANSIT RIDERSHIP IN ALLEGHENY COUNTY. SINCE ITS OPENING IN 1983 RIDERS HAVE BENEFITTED FROM MUCH GREATER SERVICE RELIABILITY AS WELL AS TIME SAVINGS OF MORE THAN 50 PERCENT FOR MANY TRIPS. OUR MARKET RESEARCH HAS SHOWN SUCH TIME SAVINGS TO BE THE MOST EFFECTIVE MEANS FOR ATTRACTING RIDERS OUT OF THEIR AUTOMOBILES AND ONTO TRANSIT. OVER 10,000 DAILY AUTO USERS ARE DIVERTED TO THIS FACILITY ALONE. DESPITE A 13 PERCENT POPULATION LOSS IN THE ADJACENT CORRIDOR AREA SINCE 1980, RIDERSHIP ON THE EAST BUSWAY HAS GROWN ABOUT 50% DURING ITS NINE YEARS OF OPERATION.

SERVICE ON THE EAST BUSWAY CONSISTS OF BUSES STOPPING AT SIX STATIONS SERVING PREDOMINANTLY WALK-ON PASSENGERS, PLUS SERVICE PROVIDED ON ROUTES WHICH TRAVERSE LOCAL NEIGHBORHOODS AND THEN ENTER THE BUSWAY AT SEVEN LOCATIONS TO COMPLETE THEIR TRIPS ON A TRAFFIC-FREE, NONSTOP BASIS.

THE SUCCESS OF THE EAST BUSWAY HAS SPURRED REQUESTS FROM NEIGHBORHOODS AND MUNICIPALITIES TO EXTEND THE BUSWAY EASTWARD TO PROVIDE EXPRESS BUS SERVICE TO MORE OF THE MONONGAHELA VALLEY, THE CENTER OF THE ONCE THRIVING STEEL INDUSTRY. TODAY, THE BUSWAY EXTENSION CAN BE PART OF THE EFFORT TO REDEVELOP THE MON VALLEY AND PROVIDE ACCESS TO JOBS FOR THOUSANDS OF ITS UNEMPLOYED AND UNDEREMPLOYED RESIDENTS.

PHASE I IS A 2.3 MILE EXTENSION OF THE EAST BUSWAY TO SERVE THE ADJACENT COMMUNITIES OF EDGEWOOD, SWISSVALE AND RANKIN, AND TO ALLOW COMMUNITIES THROUGHOUT THE MONONGAHELA AND TURTLE CREEK VALLEYS IMPROVED ACCESS TO THE BUSWAY. SERVICE WOULD CONTINUE TO INCLUDE ROUTES STOPPING AT ALL STATIONS PLUS EXPRESS ROUTES. PROJECTED AVERAGE TIME SAVINGS WOULD BE 10 MINUTES PER TRIP.

IN ADDITION, THE EXTENDED BUSWAY WILL INCLUDE PARK-N-RIDE LOTS, A FEATURE WHICH DOES NOT EXIST ON THE CURRENT EAST BUSWAY.

DAILY RIDERSHIP IS PROJECTED TO INCREASE FROM 30,400 TODAY TO OVER 50,000 BY THE YEAR 2005. THE FEDERAL COST-EFFECTIVENESS CALCULATION FOR THIS EXTENSION IS ABOUT $5.00 TOTAL-COST-PER-NEW-RIDER, AGAIN SHOWING ITS COST EFFECTIVENESS.

ACCELERATING THE BUSWAY SYSTEM EXPANSION PROGRAM

THE BUSWAY SYSTEM EXPANSION PROGRAM HAS BECOME A NATIONAL MODEL FOR INTERMODAL PLANNING, COOPERATION AND FINANCING. AS NOTED, THE AIRPORT BUSWAY / WABASH HOV PROJECT INTEGRATES AN EXCLUSIVE BUSWAY AND A TUNNEL TO BE USED BY HIGH OCCUPANCY VEHICLES. PAT, THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION, THE FEDERAL TRANSIT ADMINISTRATION, THE FEDERAL HIGHWAY ADMINISTRATION AND THE SOUTHWESTERN REGIONAL PLANNING COMMISSION HAVE HAD EXTENSIVE, COOPERATIVE MEETINGS TO DEVELOP A FEASIBLE PROJECT SCHEDULE AND FUNDING PLAN. THE FUNDING PLAN COMBINES TRADITIONAL SOURCES OF TRANSIT CAPITAL FUNDING WITH NEW, CREATIVE FINANCING ARRANGEMENTS, SUCH AS INTERMODAL FUNDING SPECIFICALLY IDENTIFIED FOR THIS PROJECT IN SECTION 1108 OF ISTEA. REFLECTING ITS STRONG REGIONAL SUPPORT, THE PROJECT IS ALSO RECEIVING EXTENSIVE AMOUNTS OF "FLEXIBLE" FUNDING AVAILABLE TO THE METROPOLITAN AREA. FUNDING ALSO INCLUDES OVER $90 MILLION PLEDGED BY THE COMMONWEALTH OF PENNSYLVANIA.

PORT AUTHORITY IS EXTREMELY APPRECIATIVE OF THE SUPPORT FOR THE BUSWAY SYSTEM EXPANSION PROGRAM PROVIDED BY ITS CONGRESSIONAL DELEGATION AND BY THIS SUBCOMMITTEE IN FISCAL YEAR 1992 AND IN FISCAL YEAR 1993. ALL FUNDING ALLOCATED TO THE PROJECT THROUGH THOSE APPROPRIATIONS BILLS IS UNDER CONTRACT WITH THE FEDERAL TRANSIT ADMINISTRATION. IN THE FISCAL YEAR 1993 TRANSPORTATION APPROPRIATIONS BILL IT IS IMPERATIVE THAT WE RECEIVE A CONGRESSIONAL EARMARK OF $56.5 MILLION. THESE FUNDS COULD EITHER COME FROM FTA "NEW START" FUNDS, OR FROM FUNDS AUTHORIZED IN SECTION 1069 OF ISTEA TO BE APPROPRIATED TO THIS PROJECT, OR THROUGH A COMBINATION OF BOTH. A $56.5 MILLION EARMARK IS CRITICAL FOR THE PROJECT TO COMPLETE RIGHT-OF-WAY ACQUISITION AND TO PROCEED INTO CONSTRUCTION IN 1994. WITH THE COOPERATION OF THE FEDERAL TRANSIT ADMINISTRATION SPECIAL PROJECT MANAGEMENT ARRANGEMENTS HAVE BEEN PUT IN PLACE WHICH WILL EXPEDITE THE IMPLEMENTATION OF THE PROJECT AND WHICH WILL REQUIRE THAT ALL FUNDING BE IN PLACE.

SUMMARY

BUSWAYS HAVE PROVEN TO BE EFFECTIVE FIXED GUIDEWAY INVESTMENTS. ALLEGHENY COUNTY'S PROPOSED ELEVEN MILE PHASE I EXPANSION PROGRAM WILL PROVIDE IMMEDIATE BENEFITS FOR THE CITIZENS OF ALLEGHENY COUNTY, THE COMMONWEALTH OF PENNSYLVANIA AND THE NATION.

THE BUSWAY SYSTEM EXPANSION PROGRAM - A PROJECT WHICH RANKS EXTREMELY HIGH ON THE BASIS OF COST EFFECTIVENESS - IS EVEN MORE CRITICAL TO THE REGION WHEN COUPLED WITH THE NEED TO SERVE THE EMERGING AIRPORT CORRIDOR AND PROVIDE ACCESS TO ITS JOB SITES. FURTHER, IT POSTURE AS A PRINCIPLE TRAFFIC MITIGATION STRATEGY DURING THE IMPENDING RECONSTRUCTION OF THE FORT PITT BRIDGE ADDS STILL FURTHER TO ITS PRIORITY STATUS. THE SUBCOMMITTEE'S APPROVAL OF $56.5 MILLION TO THE PROJECT WILL MAKE THESE BENEFITS POSSIBLE.

I AM GRATEFUL FOR THE OPPORTUNITY TO APPEAR BEFORE YOU TODAY. I WOULD BE PLEASED TO ANSWER ANY QUESTIONS YOU MAY HAVE OR PROVIDE ADDITIONAL INFORMATION.

RICK SANTORUM
18th District Pennsylvania

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Hon. Rick Santorum
18th District of Pennsylvania
before the Transportation Appropriations Subcommittee

March 24, 1993

Mr. Chairman, members of the subcommittee, I again appreciate the opportunity to speak with you today. This is the third year that a panel from the Pittsburgh area has appeared before the subcommittee on behalf of the Port Authority (PAT) of Allegheny County's Airport and East Busway expansion program. I think that the individuals and officials that appear today once again speaks to the strength of the project and, more importantly, to the commitment of the City of Pittsburgh, Allegheny County, and the Commonwealth of Pennsylvania.

Many of you are familiar with PAT's innovative busway program. The PAT Airport and East Busway project have served as a model for other major U.S. transit systems. I was honored to host the former Ranking Member of your subcommittee, Hon. Lawrence Coughlin, in Pittsburgh last year for a site visit and ride on PAT's East Busway. As the subcommittee has a few new members this year, I have enclosed a brief overview of the program as well as some maps detailing the expansion project. In particular, the East Busway expansion is extremely important to the economic development and growth of the "Mon Valley" portion of Allegheny County which I represent. I will again be speaking with you individually about the proposed busway expansion in my district, and I remain available to discuss the proposal.

Last year, I shared with you the long-term infrastructure needs of greater Pittsburgh. Allegheny County (encompassing the City of Pittsburgh and suburban communities) opened a new airport terminal on October 1, 1992, to the west of downtown Pittsburgh. The $800 million project is opening tremendous economic opportunities for the region. The Airport Busway will link our residential communities with this growth area.

One of the major problems still confronting the Pittsburgh area is the lack of a viable transportation corridor from eastern Allegheny County to the city and the new airport. With Mt. Washington bordering the western edge of the city, the transportation corridor funnels through the mountain via two tunnels. With the absence of a beltway in the region, the entire western portion of the county must channel through the mountain at these two points to gain access to downtown. The 33-year-old and heavily travelled Ft. Pitt Bridge and Tunnel structures must be closed for repairs. PennDOT can wait no later than 1995-1996 to begin the one to two-year repair project. The closure of the transportation artery poses serious problems for the county.

PAT's busways have had and will continue to have a significant impact in alleviating these transportation challenges. My

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constituents in the 18th District were extremely pleased with your endorsement of the Airport and East Busway projects through the $14 million federal "new start" allocation in FY 1992 and $22 million allocation in FY 1993.

The Airport and East Busway funding proposal submitted in 1991 detailed an overall five-year funding plan. The $14 million allocation in the fiscal year 1992 appropriations bill represented funding for the first of the project's five phases. Last year's appropriation enabled PAT to complete the geographic and feasibility studies for busway expansion. The $39.5 million request last year and the $56.5 million current request reflects the bulk of the federal money concentrated in the second and third stages of the five-year plan. Today's request will permit PAT to start the major elements of the overall program--expansion of the current East Busway south and east of downtown Pittsburgh and actual construction of the new Airport Busway west of the city's downtown area.

Since the other panelists have concentrated on the Airport Busway construction, I want to focus my remarks on the East Busway expansion proposal. In your subcommittee hearings over the last two years, I spoke about the need for a viable public transportation link between the older industrial communities of Pittsburgh and the new job opportunities associated with the Midfield Terminal. These older industrial communities make-up my 18th Congressional District. Under redistricting, my district was shifted to cover the entire eastern portion of Allegheny County (map enclosed). The problems these communities face not only with access to public transportation, but with the existence and general availability of any viable transportation corridors, are very real. There is no greater need in the county right now than to expand transportation access into the eastern communities and the Mon Valley.

Funding from your subcommittee will permit expansion of the Martin Luther King, Jr. East Busway from Wilkinsburg south through Edgewood and Swissvale to Rankin. Future expansion will push further south to McKeesport and east to Pitcairn. An expansion of transportation alternatives is directly related to intangible economic opportunities. This expansion is a crucial element of my work in spurring greater investment and economic growth in an area which at one time was the most productive steel producing region in the country. The East Busway will financially bolster pockets of my district which have been generally underserved by local, state, and federal programs.

I appreciate the opportunity to reaffirm my commitment to the future of transportation in Pittsburgh. This future is again dependent, to a large degree, on your funding of PAT's Airport and East Busways. I sincerely hope that you will maintain your support of Pittsburgh transportation in your FY 1994 appropriations.

Port Authority of Allegheny County Busway Expansion Program

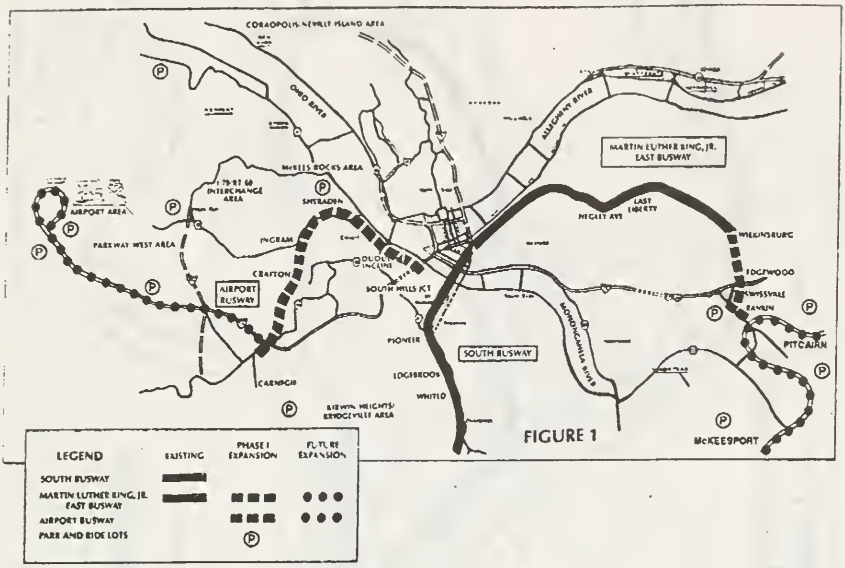


FIGURE 1

Introduction

Port Authority of Allegheny County introduced the concept of two-lane exclusive busways with the opening of the South Busway in 1977. It is 4.3 miles long and currently serves 16,000 passengers every weekday. The Martin Luther King, Jr. East Busway, completed in 1983, is 6.8 miles long and carries more than 30,000 riders each weekday.

Together, with more than 46,000 daily riders, the busways account for about 15% of daily transit ridership in Allegheny County. With more than 4,000 daily passengers per mile of guideway, these two facilities are among the most cost-effective new transit facilities in the country.

The busways provide great benefits to PAT riders as well as to all Allegheny County residents. Riders benefit from greater service reliability as well as time savings of more than 50% for many trips. The East Busway alone attracts over 10,000 riders out of their automobiles and onto transit daily. Despite a 13% population loss in the adjacent corridor area since 1980, ridership on the East Busway has grown almost 40% during its eight years of operation.

Port Authority's busways have proven to be successful public investments. They provide fast, safe transportation for PAT riders, have reduced auto usage and have spurred redevelopment in some of Allegheny County's oldest communities.

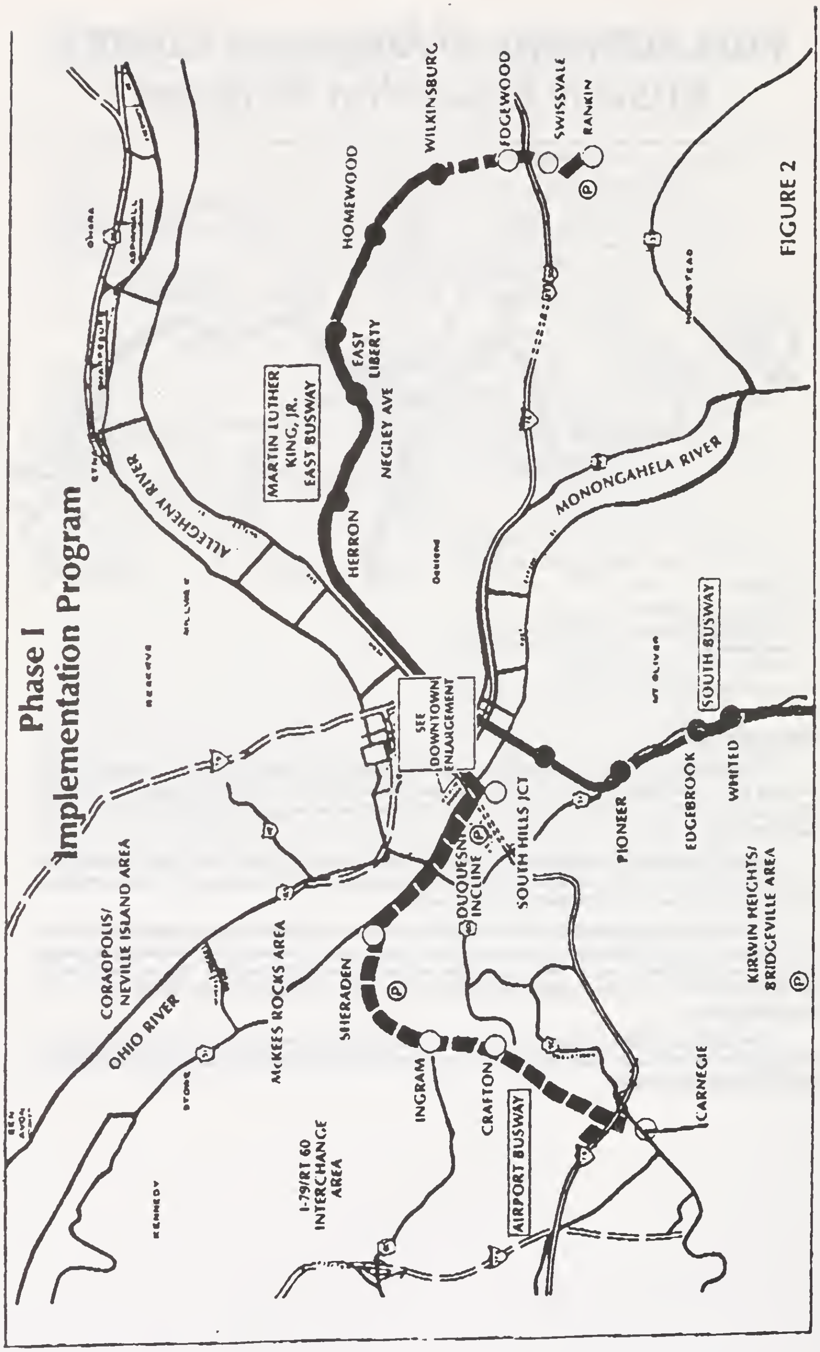
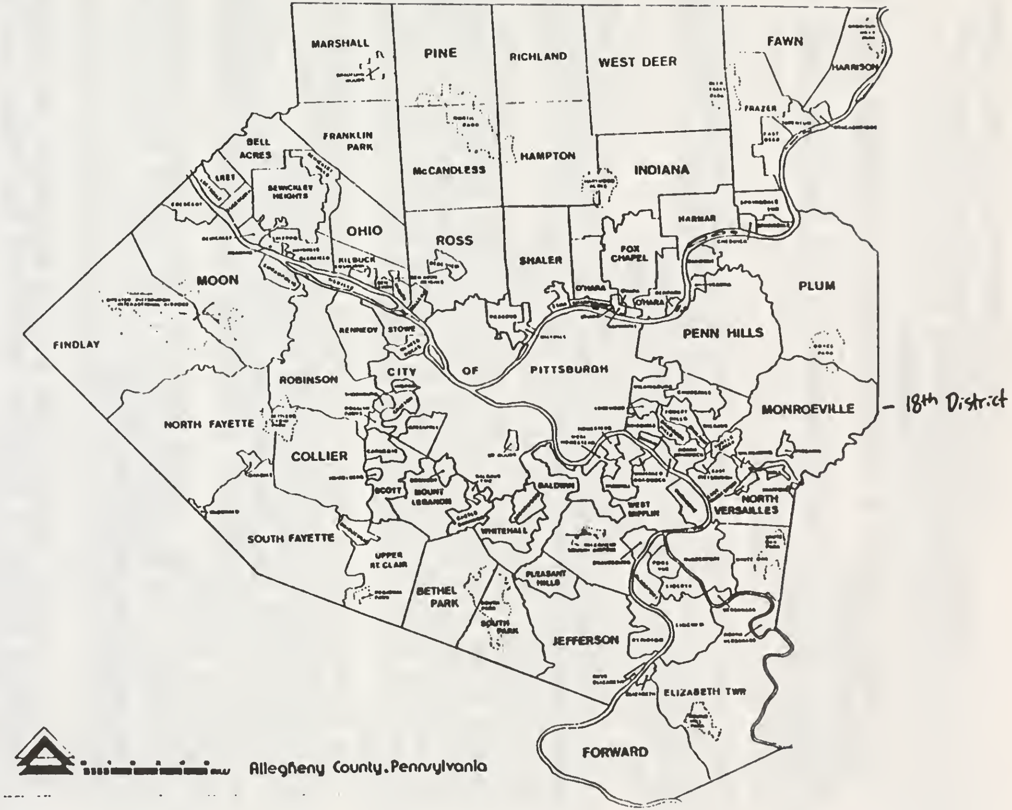

Phase I
Implementation Program
MARTIN LUTHER KING, JR. EAST BUSWAY
SOUTH BUSWAY
AIRPORT BUSWAY
SEE DOWNTOWN ENLARGEMENT
ALLEGHENY RIVER
MONONGAHELA RIVER
OHIO RIVER
HOMEWOOD
WILKINSBURG
EDGEWOOD
SWISSVALE
RANKIN
EAST LIBERTY
NEGLEY AVE
HERRON
DUQUESNE INCLINE
SOUTH HILLS JCT
PIONEER
EDGEBROOK
WHITED
KIRWIN HEIGHTS/ BRIDGEVILLE AREA
CORAOPOLIS/ NEVILLE ISLAND AREA
McKEES ROCKS AREA
SHERADEN
INGRAM
CRAFTON
CARNEGIE
I-79/RT 60 INTERCHANGE AREA
P

FIGURE 2



Allegheny County, Pennsylvania

WEDNESDAY, MARCH 24, 1993.

ORLANDO STREETCAR PROJECT (OSCAR)

WITNESSES

HON. CORRINE BROWN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

HON. BILL McCOLLUM, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

MAYOR GLENDA E. HOOD, ORLANDO, FL

Mr. CARR. Our next witnesses will be our good friends from Florida, Congresswoman Corrine Brown and Congressman Bill McCollum with Mayor Glenda Hood from Orlando.

Mr. McCOLLUM. Thank you, Mr. Chairman.

It's a pleasure to have Corrine Brown with me today because this is the first time since the last election when Orlando gained her as a new Representative to represent part of the city. So we are sharing an honor of introducing our mayor today.

I don't know how many of you have met Glenda Hood before, but Glenda is the immediate past president of the National League of Cities, served as a very prominent city commissioner for a number of years in Orlando, and is just 5 months on the job as our new mayor, the first woman and the youngest mayor in the history of Orlando.

She is here today to talk to you about Project OSCAR, as you are probably aware, has received some Federal design funding in the past. She is here to seek additional funding for that.

I think one of the great features of this is the fact that we are not going to be requesting or ever asking for operating subsidies for this once it is done.

With that in mind, having made my very minimal introduction of the person who is going to say it, I will turn it over to Corrine Brown and let her say a few words.

Ms. BROWN. Thank you, Mr. Chairman and members of the committee.

I want to assure you that this is truly bipartisan. We are here representing Orlando. I hope you noted that the women are running the cities now. [Laughter.]

It is really a pleasure for me to introduce the mayor of Orlando.

Let me say that during the campaign I spent a lot of time in Orlando. If there was ever an area in the country that needed additional ways to get people out of cars and into another mode of transportation, it is Orlando. There are times that I would arrive in the city of Orlando at 7:30 or 8:00 and it would be 10:30 before I could get to the downtown area if an accident had occurred.

So truly ridership is not a question in this particular area. Being on the Economic Development Subcommittee of the Public Works and Transportation Committee, I am delighted to note that if this project is approved, that would help to stimulate jobs in the area of manufacturing this year.

It is a real honor and a pleasure for me to introduce the new mayor of Orlando, Mayor Hood.

Mr. CARR. Mayor, it is good to have you here. Welcome.

Mayor Hood. Thank you, Mr. Chairman.

Mr. Carr. I would like to congratulate you on one thing. I was in your State recently. As a lover of art, I was most impressed with your City Hall and your local ordinance whereby you put aside 1 percent of project money for public works of art.

Mayor Hood. Yes, we do.

Mr. Carr. It was really truly impressive.

Mayor Hood. Thank you. We are proud of it. I am glad you had an opportunity to visit, but I am sorry that I was unable to personally greet you at that time.

Mr. Chairman and members of the committee and staff present, I am Glenda Hood, mayor of the city of Orlando. I indeed appreciate the time you have given me to be here today and to talk to you a little bit more or add to your knowledge about the OSCAR project in Orlando.

I know your schedule is busy, as always, so I will be as brief as I can and summarize the comments that I know have been presented to you in written testimony.

Some of you may recall that I was here last year talking about OSCAR. OSCAR is short for Orlando Streetcar. It is a 2-mile transit circulator that connects our major downtown employment centers. It is a very modest project in scale and in cost as well. I hope that you are pleased to hear that. But more importantly, it represents an expansion of an already successful transit service in our community.

Over the past several years, Orlando has developed a system of peripheral parking that intercepts some of 35,000 downtown employees before they drive all the way into the downtown area. A transit shuttle system brings them the rest of the way into the downtown work sites in just a few short minutes.

This shuttle also provides a means for people to get around within our downtown not only during work hours, but early morning until early evening for other opportunities.

We have recently accomplished a number of noteworthy milestones in the development of this system. I think those are enumerated in the written testimony you have received.

Since 1990 we have opened an additional parking garage, and we have added a child care center at the intercept site. Mr. Chairman, I understand that that is something of interest to you.

We have implemented a transportation management association. We have increased the transit shuttle buses in daily service from five to eight in number in downtown. We have improved the frequency of service from 7 minutes to 5 minutes. And we have also implemented a guaranteed ride home program in downtown.

As a result of these improvements, nearly 2,000 people are now riding our downtown shuttles every weekday.

Funding for this downtown transit operation comes from intercept parking revenues and from a special district that taxes downtown property. And let me emphasize that our request is not operation because we know that through these parking revenues and the special taxes in the downtown area we will receive our operating funds. We are only asking for dollars for design and vehicles.

No State or Federal operating are used to support the downtown system at all. We feel that this approach is very sound. We know that it works because our ridership has in fact increased 100 percent since we eliminated fares and increased the service in 1992.

The transit system and service is also keeping thousands of daily auto trips off our downtown streets, again through the process of peripheral parking and bringing workers to the downtown area. Because of this success, we plan to continue using this same formula to fund our operations of the OSCAR project in the future.

I think you are all aware that many cities have chosen to expand their transit systems by building expensive new regional rail corridors. Without being critical of any of my fellow associates in cities across the country, I will say though, that Orlando is taking a very different approach. We intend to move incrementally making capital investments very cautiously, and in response to the observed user demand that we see.

So OSCAR is not the first leg of a big new regional rail system. Rather, it is a stand-alone downtown circulator.

Now, the project will directly exchange passengers with our regional bus transit network at our downtown terminal. And we are planning the route and the layout and station locations with the future in mind with future multimodal systems that we hope will come about.

Our ridership forecasts we feel are very responsible and very conservative. We anticipate that OSCAR will carry 4,600 daily passengers in its first year. That represents about a 150 percent increase from the 1,800 passengers that we are now carrying on a daily average in 1993. Please note that the current ridership of 1,800 represents a 100 percent increase from the 900 daily passengers that we saw in 1991.

And over the next few months we will be breaking ground on some major development in the downtown area, two major new projects that will each fill an entire city block. So we think it is very important to move ahead now with this downtown circulator.

It is needed not to spur downtown development, obviously, but to serve that growing downtown employment base with efficient transportation. OSCAR is one of the projects that is identified in and specifically authorized by the 1991 ISTEA. Your committee appropriated funding for OSCAR both in 1991 and 1992. This Federal assistance has been important to us and we have put the money to very good use.

Today we are seeing $7 million in fiscal year 1994 section 3 funding to finish the design and to undertake procurement of the vehicles needed to start service, as I said earlier. These funds will be fully utilized by the end of this calendar year. Again, I know that is important to you. That is something that was emphasized last year.

While the capital cost estimate for this project is $48 million, we're only asking for what we know we can spend promptly. We do need the $7 million to stay on schedule for 1997 initiation of service. And because of its modest scale and its concentrated service market, OSCAR will perform more efficiently than most new transit services, we believe. This inherent efficiency allows the leading alternatives to meet cost-effectiveness criteria developed by FTA. The cost-effectiveness indexes for all the leading alternatives are less than the $6 standard recommended by FTA.

Our forecasts indicate that OSCAR will carry people for an operating cost of about 98 percent per passenger in the year 2010.

I would like to close by again thanking you for your time, interest, and support in the past. I would like to submit a map and some quick facts about the OSCAR project to you. I don't know if you have received this yet, but I don't think it was attached to the original statement.

Mr. CARR. We would like to receive it.

Mayor HOOD. We are very proud of our transportation system in Orlando. As I said, we're having an emerging transit program. We feel that we are approaching this in a very different way, as we do everything in our community. We feel it is a very modest but very important project that is appropriate for your section 3 investment. We think that it is worthy of completion within the current Surface Transportation authorization.

Again, thank you for your past support. I look forward to continuing to have your participation in the next 2 years. I invite you to be with us when we initiate that service in 1996. I would be glad to answer any questions at this time.

[The prepared statement of Mayor Hood follows:]

Testimony of

Glenda E. Hood,
Mayor, City of Orlando, Florida

The OSCAR Project

Before the Subcommittee on Transportation
of the
Committee on Appropriations
U. S. House of Representatives

March 24, 1993

Good morning. My name is Glenda Hood and I am the Mayor of the City of Orlando. I know you have a busy schedule this morning and I appreciate the time you have given me to tell you about Orlando's OSCAR project.

Some of you may recall from my visit last year that OSCAR - short for Orlando Streetcar - will be a 2-mile transit circulator connecting our major downtown employment centers. This is a modest project in scale and in cost. Its purpose is to move people, and to do so as efficiently as possible.

A Successful Downtown Circulator

OSCAR is not an experiment. Instead it represents an expansion of an already-successful transit service. We are not building this project to **create** demand for transit, but rather to **respond** to demand for transit.

Over the past several years, Orlando has developed a system of peripheral parking that intercepts some of our 35,000 downtown workers before they drive all of the way into downtown. A transit shuttle system brings them the rest of the way to their worksites in a few short minutes. This shuttle also provides a means for people to get around within our downtown from early morning until early evening.

Since 1990 we have:

- opened an additional parking garage;
- added a childcare center at the intercept site;
- implemented a transportation management association;
- increased the buses in daily service from 5 to 8;
- improved the frequency of service from 7 to 5 minutes; and,
- implemented a guaranteed ride home program.

As a result of these improvements, nearly 2,000 people now ride our downtown shuttles every weekday.

An Innovative Approach to Transit Funding

There are no free rides in transportation and Orlando's downtown transit system is no exception.

Funding for downtown transit operations comes from intercept parking revenues and from a special district that taxes downtown property. **No state or federal operating funds are used to support the downtown system.**

To boost ridership and speed service we do not collect fares on the shuttle buses. Instead, our approach is to require downtown employers and property owners to fund this transportation service for their employees and customers. The employees also pay a part of the costs through their monthly parking fees which are currently set at about half of the downtown market rate for monthly covered parking.

We feel this formula is fair and encourages ridership. **We know it works because ridership has increased 100% since we eliminated fares and increased service in 1992.** It also keeps thousands of daily auto trips off our downtown streets. We plan to continue using this formula to fund operations of the OSCAR project.

As our peripheral parking center reaches capacity, we will derive between $500,000 and $1 million annually from dedicated parking revenues. The parking revenues are backed-up by the resources of our downtown district which currently has an annual budget of about $8 million. With OSCAR annual operations costs in the year 2010 forecast at about $2 million we are confident of adequate funding for operations regardless of any potential cost or ridership uncertainties.

I want to make an important point here about Orlando's commitment to transit. Our urban area is served by a small, but well-managed, regional transit system known as LYNX. The City of Orlando has placed a high priority on helping this bus system grow and has committed to an aggressive program of steadily growing financial support.

The City's policy is that OSCAR should neither detract from, nor reduce the funding available to, the regional LYNX system. We have identified entirely separate sources of capital and operating funding for downtown circulation. In fact, the presence of a downtown circulator strengthens the regional transit system by boosting ridership to downtown.

Other cities have experienced financial difficulties when their new rail projects drained operating funds from their existing transit services. We will not repeat this mistake. Rather, we have ensured that the regional transit service will continue to have adequate funding for operations, maintenance, and routine capitalization even as we add new components, such as OSCAR, to the system.

A Carefully-Planned Project

While many cities have chosen to expand their transit systems by building expensive new regional rail corridors, Orlando intends to move incrementally, making capital investments cautiously and in response to observed user demand.

OSCAR is not intended as the first leg of a regional rail system. Rather, it is a stand-alone activity center circulator. Of course, it is being planned to facilitate direct interchange of passengers with our regional bus transit network at its downtown terminal.

We have also ensured that the route layout and station locations are planned in the context of a future multimodal system. If Orlando develops a rail transit system in the future, it will directly interconnect, and trade passengers with, OSCAR. In fact, we are looking so far into the future that one of our key station locations is being planned with an eye to the possible construction of an intercity Florida High Speed Rail system, should that ongoing effort by the State of Florida succeed.

However, none of those possible future additions to the transportation network has been included in our ridership forecasts. Our staff and consultants have been instructed to use conservative estimates in forecasting patronage and not to use questionable assumptions about future events or trends.

When we forecast that OSCAR will carry 4,600 daily passengers in the first year of operations (1997), that should be viewed in the context of the 1,800 passengers we are already carrying every day in 1993, up from 900 in 1991. Although downtown Orlando employment is expected to double to 70,000 by 2010, we are confident of the ridership forecasts even if actual growth is substantially lower than predicted.

We are aware of the recent experience in this country with transit investment performance and are determined not to repeat the errors of the past. Many cities are attempting to use transit improvements to leverage private sector development and thereby foster employment growth. By contrast, Orlando is trying to meet the needs of a growing employment base by providing useful, efficient transportation.

The Proposed Federal Role

OSCAR is one of the projects identified in and specifically authorized by the 1991 ISTEA legislation. Congress has already appropriated funding in both 1991 and 1992 for the project. The $2.5 million in Section 3 funding you have provided over the past two years is being combined with state and local moneys to fund planning and engineering. This federal assistance has been important to us and we are putting the money to good use.

The capital cost estimate for this project is $48 million. However, today we are seeking $7 million in FY 93-94 Section 3 funds to finish design and to undertake procurement of the five vehicles needed to initiate service. This funding will be utilized by the end of the calendar year.

This may be a smaller amount of money than this committee is normally asked to address. However, for Orlando, your assistance is critical to keeping the project on schedule for a planned January, 1997 start-up of service. We realize this committee has an interest in holding down the percentage of federal participation in Section 3 projects. This enables you to extend scarce discretionary funding to as many needy projects as possible and also encourages local effort.

However, I also know that you have a vital interest in managing the Section 3 program as an investment fund by placing the money where it will generate the highest yields. In this respect, the OSCAR project will compare more than favorably with its competition.

A Cost-Effective Investment

The scale of this project is decidedly modest. Less than 2 miles in round-trip length and less than $50 million in total capital cost, it is a carefully-planned addition to our transit system that is targeted to a specific and proven transit market.

Because of its modest scale and concentrated service market, OSCAR will perform more efficiently than most new transit services. Our forecasts, developed through the FTA "alternatives analysis" process, indicate that OSCAR will move people in downtown Orlando in the year 2010 for an operating cost of about 98¢ per rider, less than one third of the forecast average cost per rider on our regional system in that year.

We are also pleased to note that the leading alternatives under consideration meet the cost effectiveness index developed by the Federal Transit Administration for evaluation of this kind of project. The FTA "Cost per New Rider Index" for the leading alternatives range from $3.55 to $5.62, compared to the $6 criterion used by FTA staff.

I would also like to note that the OSCAR project alternatives under study do not include any sleek monorails, elevated people-movers, or huge commuter trains. We have no interest in a glitzy high-tech ego statement designed to "put Orlando on the map."

Instead, our proposed technology is nothing more grandiose than ordinary street trolleys drawing efficient electric power from an overhead wire and operating in existing downtown public space. Also, let me assure you that, when the time comes, the City Council and I will make the final selection of a preferred alternative based on performance, not glitz.

I would like to add a note here about process. At every step in the development of this project, our staff has worked willingly and competently within the FTA's major capital project development process. The project has benefited from the advice and assistance of FTA staff. We value our partnership with the Federal government and are confident we can meet the standards and requirements of the capital investment review process.

Conclusion

Let me close by again thanking you for your time and interest.

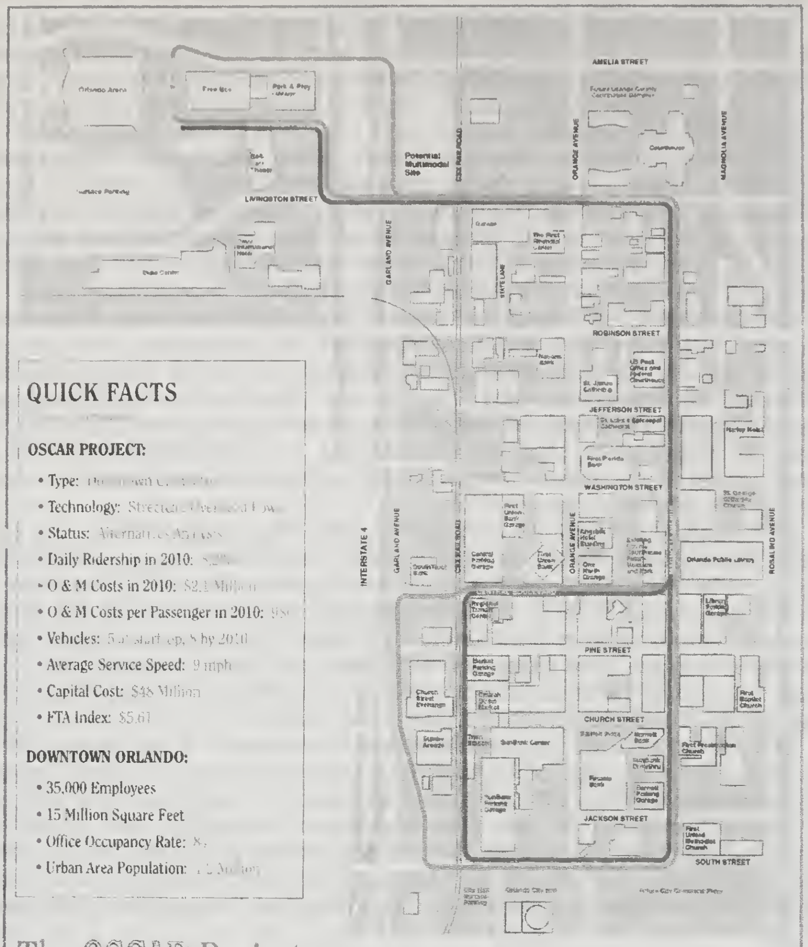
The City of Orlando is proud of its transportation system and its emerging transit program. OSCAR is an integral component of that program. It is a modest but important project appropriate for Section 3 investment and worthy of completion within the current surface transportation authorization.

I would like to invite you to share our excitement and satisfaction at a job well done by coming to Orlando and taking part in the January, 1997 initiation of service.

Please be warned that if you do attend you will not see an expensive, elevated monument to engineering prowess and mayoral ambition. Instead you will have to be satisfied with a low-cost transit circulator designed to move people efficiently and effectively -- a workhorse providing mobility and access in a very business-like downtown.

We appreciate your past support and look forward to your continued participation over the next two years.

Thank you!



QUICK FACTS

OSCAR PROJECT:

- Type: Downtown Circulator
- Technology: Streetcar, Overhead Power
- Status: Alternatives Analysis
- Daily Ridership in 2010: [illegible]
- O & M Costs in 2010: $2.1 Million
- O & M Costs per Passenger in 2010: [illegible]
- Vehicles: 5 at start-up, 8 by 2010
- Average Service Speed: 9 mph
- Capital Cost: $48 Million
- FTA Index: $5.61

DOWNTOWN ORLANDO:

- 35,000 Employees
- 15 Million Square Feet
- Office Occupancy Rate: [illegible]
- Urban Area Population: [illegible] Million

The OSCAR Project

DOWNTOWN ORLANDO STREETCAR

City of Orlando

March 23, 1993

Mr. Carr. Thank you.

You are absolutely right that Orlando has distinguished itself in its approach to mobility problems. There are too many communities that come before us with grandiose schemes that end up potentially being white elephants. It appears that you have taken a very modest and incremental approach.

That being the case, though, I am a little curious as to why with service to start 4 years from now you feel it is the time to commence the procurement of five vehicles. The lead times for manufacture of vehicles is not 4 years. Lead time is generally 18 months or so. Then you have a little time for testing and a few other things. I am curious as to the phasing of this.

Mayor Hood. As I said, we are trying to do this in an incremental way. We have had it indicated to us that our timing is appropriate as far as the procurement of vehicles, as far as looking at the different alternatives—and I must say that we are still studying the different alternatives, whether it is a bus or a trolley—and we want to make sure that we are moving in an incremental way so that we can meet those demands of development beginning to occur in the downtown area.

For example, there is a major courthouse project that has just been announced to move ahead that will take up an entire city block. It is very important to us that we meet that 1997 deadline. If we're not doing this in an incremental way and asking for those modest amounts over that period of time, then we will not be able to begin service, and then we will have problems beyond that 1997 date and I will have to be here asking for different things and looking at different alternatives than we are now.

Mr. Carr. I think we want to work with you. I am just a little troubled by the idea of buying five cars now that probably would be delivered well in advance of your need to put them into service.

The other thing is that I endorse and encourage you to follow your incremental approach, but if you haven't settled on the vehicle itself, and yet you're telling us that all the money would be spent in this calendar year, which is the first 3 months of the fiscal year.

Mayor Hood. We would make our decision and the order would be placed in late 1993 or early 1994 for those vehicles. It takes about 18 to 24 months on those. So that puts us out to 1996 and to begin operation in 1997. So that is the timing we have looked at. As I said, we determined that it was very appropriate.

Mr. Carr. When do you anticipate making your decision on the vehicle?

Mayor Hood. In the coming months. We are ready to go out for public hearings. We have looked at several different alternatives. Right now, it seems as if the best buy is really the trolley for several reasons, not only because of the corridor it takes up, a narrower corridor in a dedicated lane. We are looking at environmental impact, both noise and air pollution. We are looking at time of the trips. We find that with a trolley we can cut down on the time between stops. The size of the vehicle is another consideration. It is all leaning toward the trolley as opposed to the bus.

Mr. Carr. I think we would probably want to help you out here. I would hope that prior to our markup you would be able to update us a little bit as to what is going on. It is better for us if we can say that this is money that will be used for five trolleys or for five buses. It is harder for us to justify to taxpayers around the country why we should appropriate money to buy five of something that you're going to decide upon later on.

Mayor Hood. Right now, we are waiting for approval from FTA. We expect to have our public hearing in June. We would expect to know at that point in time. But we need to continue to move forward, as we are all aware, in making sure that we stay on schedule and that we're able to begin service in 1997.

Mr. Carr. From this Member's point of view, we look forward to working with you. I think you have taken a very common sense incremental approach that should be an example for other communities in this country. That kind of an effort I think should be rewarded, but I think we need to tie down some details before we make a final commitment.

Mayor Hood. I understand that. Thank you, Mr. Chairman.

Mr. Carr. Mr. Wolf?

Mr. Wolf. Thank you, Mr. Chairman.

I want to welcome Bill and Madame Mayor.

If the Chairman would look at the map that was provided, you have really gone very far to lobby this committee because the trolley car goes directly by the Bob Carr Theater. [Laughter.]

Mr. Carr. If they had named their City Hall for me, then they would have the money. [Laughter.]

I have heard about that building for years and years and years because when I began public service, people from Michigan, in particular, who go to Florida and back again were fully aware of it and were either amused by it or asked if that was a relative of mine.

It certainly is not. It is a distinguished former mayor of Orlando.

Mayor Hood. That's correct. And it is part of our centerplex area where our arena and exhibition center and hotel is located. It is a major employment center. Across the street is one of those peripheral sites where we presently have workers from the downtown area park and then we take them by shuttle bus into the major downtown area.

Mr. McCollum. Mr. Wolf, can I interject on that building because I have been here long enough to know that Federal dollars contributed to that. It is a metered garage with a child care center in it. That was an innovative project at the time, and it is a very important link because it is an effort to utilize the parking that is not utilized at the arena during the day to try to alleviate that downtown parking problem.

That is why the child care center was put in it at the time and so forth. It is intricately related to this whole project.

Mayor Hood. We felt that joining the garage with a child care center was a very unique concept.

Mr. Wolf. I think that is an excellent idea. As a matter of fact, I included an amendment in our bill a few years ago directing Metro do that. I got the idea from the former chairman, Mr. Lehman, when we looked at the Miami system. We adopted that up here in the Washington area.

Is this the system whereby nobody pays, you just get on?

Mayor Hood. That's correct. It is a free system. The operating funds come from our parking revenues and from the special taxing in the downtown area and property taxes.

Mr. Wolf. And that has already been passed?

Mayor Hood. Yes. We are already receiving revenues now.

Mr. Wolf. Please tell me the total Federal funds and the total cost of the project.

Mayor Hood. The total cost of the project would be $48 million.

Mr. Wolf. And the total amount of Federal funding?

Mayor Hood. It would be an 80 percent Federal and 20 percent local.

Mr. Wolf. Have you ever thought of making it 75/25 or anything like that?

Mayor Hood. We really need to have the 80/20 in order to proceed in the way that we need to for the future.

Mr. Wolf. Some of the people have come in with a higher match, and I am of the opinion—and that doesn't directly deal with your project—that the higher the match, the more consideration should be given to the project. We have had some projects where it is not very high.

Where do you perceive the vehicles to be purchased? Which company is that?

Mayor Hood. I am sorry, but I don't know the answer to that question.

I am told by a member of my staff that there is a company in Iowa that we think might be the company from which we would purchase the vehicles.

Mr. Wolf. Would you be looking at vehicles that have been purchased before? It seems that each transit system has a different type of vehicle, and therefore it is hard for American industry to compete. I think if we were able to standardize, to a certain degree, it would be easier.

Mayor Hood. I would suspect that since it is a company in Iowa that we're talking with, it is probably a vehicle similar to others that have been purchased.

Mr. Wolf. I think that is a good idea.

Thank you.

Mr. Carr. Mr. Coleman?

Mr. Coleman. I don't remember this testimony last year. I was trying to recall.

Is this an overhead system of electrical generating power?

Mayor Hood. If we go with the trolley system it would be, sir.

Mr. Coleman. Do you have rails in place, or would it be on tires?

Mayor Hood. That will be determined with the vehicle. It will probably be a rail system with overhead wires.

Mr. Coleman. Where are you in terms of rights-of-way? Have you already done that?

Mayor Hood. We have identified those rights-of-way being one lane of the roadways in which it would be placed. It would be a dedicated lane so it would not mix with vehicular traffic.

Mr. Coleman. A city I represent had a streetcar system with rails in place 40 years ago and went away from that to buses, now they are talking about going back to that. Right now, in fact, utilization of the rubber tire trolley—gasoline-generated—ridership is not a problem. In fact, the more they had, the more they could utilize. It is clearly economical, but the issue of air quality and the environment are fairly paramount.

I am interested that you were able to do it for the amount in your request.

Mayor HOOD. The $48 million?

Mr. COLEMAN. Yes. And you are fairly confident with that number?

Mayor HOOD. Because we do things right in Orlando. [Laughter.]

Mr. COLEMAN. I think it is good.

Mayor HOOD. We have been looking at this for a very long time.

Mr. COLEMAN. Particularly if you're talking about putting down rail. I think that gets to be a not inexpensive project from that standpoint.

Mayor HOOD. I appreciate that, but we have been looking at that. We want to do this in the most efficient way for the passengers that would ride it. We want to do it in the most cost-effective way. Again, we think that in an incremental way, and making sure that we're not coming here and asking for those operating dollars is extremely important.

Mr. COLEMAN. We will follow the project with interest.

Thank you, Mr. Chairman.

Mr. CARR. Is the $48 million predicated on a rail option?

Mayor HOOD. Yes, that is because we are leaning toward that now. So to be able to give you some hard numbers——

Mr. CARR. What would that be if you chose the bus option? Do you have those numbers?

Mayor HOOD. The best bus option would be about $38 million.

Mr. CARR. What kind of buses would those be? Alternative fuel buses?

Mayor HOOD. That is one of the alternatives we would look at because, of course, we want to make sure that the environmental concerns are being addressed.

Mr. CARR. Your freebie system is operating roughly on this alignment right now, is it not? It might be on a different street, but it is about the same.

Mayor HOOD. Yes.

Mr. CARR. And how many riders on your freebie system today?

Mayor HOOD. We have about 1,800. As I said, that is a doubling of what it was in 1991.

Mr. CARR. You say that you are leaning toward the trolley approach, and yet you are talking about the incrementalism. Wouldn't the incremental approach keep you toward a bus alternative for awhile and if capacities really did reach 8,200 or look like you were on the slope to get to 8,200 you would perhaps move to rail at a later point?

Mayor HOOD. That is exactly what we are doing now with our freebie shuttle. That is part of that whole incremental approach. As I said, we have had over 100 percent increase in our ridership since 1991 on that downtown shuttle. Then putting the other amenities in place—the parking garage, the transportation management system, the things enumerated in the testimony. We feel that this is part of that whole incremental approach.

In looking at alternatives, we need to consider space, time, environmental impact, and the numbers that certain types of vehicles can hold.

Mr. McCollum. Mr. Chairman, I might interject here because Mayor Hood, in trying to answer all these questions probably hadn't focused on this one for you. But the fact is that that courthouse complex that is there in the upper right-hand corner of your map is not yet constructed, but it has been authorized and approved and will be by the time this is operational.

It is my understanding—you correct me if I am wrong, Mayor—that there is no parking garage affiliated with it at this point in time because the plans are to allow the parking from over here to be the primary parking for it. If that takes place, the ridership is going to be up considerably just because of that alone.

Mayor Hood. That's correct. And that was just approved by the Orange County Commission with the stipulation that the parking garage would not be included because of the plans for the downtown circulator.

Mr. Carr. And what is the working population of the city?

Mayor Hood. We have 35,000 downtown workers presently.

Mr. Carr. And with the addition of this county complex, what will it be, then?

Mayor Hood. I don't know.

Mr. McCollum. I don't know what the addition will actually do. I think the point of the addition is that—there is a courthouse already downtown. I am not sure that it is going to increase the number, but it is going to change the configuration for parking because the source of parking for them right now is entirely different from what it is going to be when this new courthouse is finished. There won't be a place for them to park in proximity to the courthouse other than to ride this or walk.

Mayor Hood. There are some additional workers that will be added because presently the courthouse is in the downtown area but there are a lot of peripheral offices. They will be moving into the downtown area. That is the purpose of consolidating at this spot. But I don't know the exact number.

Mr. Carr. Do you have a projection or an idea—maybe a conservative one—about what the downtown work population would be in the year 2010?

Mayor Hood. I have just been told that 7,000 additional workers would be added to the 35,000 as a result of the courthouse project.

Mr. Carr. And when is that due to be completed?

Mayor Hood. In 1997.

Mr. Carr. So in other words, the downtown work population will go from 35,000 now to about 42,000 by 1997?

Mayor Hood. Yes, but I think that is a conservative estimate, to be perfectly honest. I will tell you that just in the last few weeks we have had three major announcements in our downtown area. We have a major expansion on one of our facilities which will bring additional workers to the downtown area. We have a national headquarters that has just become an anchor tenant in a downtown facility. We expect things to continue to pick up in that way.

Mr. Carr. Well, let's be conservative.

Mayor Hood. Right. At least 42,000.

Mr. Carr. And that is in 1997.

Mayor Hood. I think our projection has been like 70,000 by the year 2010, and that is a conservative number as well. So that is a doubling in a little over a decade.

Mr. Carr. We like to be on the conservative side because population growth projections, ridership growth projections—our experience before this committee—not to say that you are part of this experience—that they have been highly promotional as opposed to real flat-footed.

Mayor Hood. In 1980, our downtown worker population was 12,000. So a little history and looking back might help as far as what we're seeing in our downtown area. And we are planning in our community to encourage people to locate in those activity centers. I think you are aware of the types of planning mechanisms that we have in place in Florida and mirroring that in Orlando as well.

Mr. Carr. As I said, you have done an impressive job and we look forward to working with you. We will try to work with you some more to arrive at a good number for you.

Mayor Hood. Mr. Chairman, I can assure you that as soon as all those final decisions are made and details that you will be the first to receive that information.

Mr. McCollum. Mr. Chairman, I would also be delighted to present to you an analysis of this population growth so that you will have it well before you do your markup.

Mr. Carr. I know that—and I was never a mayor, but I have been privileged to meet many fine and outstanding mayors, but it is hard to find a mayor who doesn't believe that there is going to be future growth, unless you want to come to Flint, and they still want to believe there is going to be future growth. You go to California where they thought it was just going to go forever and ever and ever. Suddenly, it's not going forever and ever and ever.

So being the trustees of the people's money, I think a conservative approach is a prudent one and it is meant in no way to indicate that we think you're not telling us the truth. We know you are, but it's just a matter of trying to get a realistic assessment of what is going on in various places of the country.

Mayor Hood. I appreciate that. I don't think I am alone in giving you these conservative figures on growth. We were listed as one of the top business areas and growth areas by Fortune Magazine and continue to be on those lists. So there are some other people out there that are feeling the same way who looking from the outside in and not just those of us from the inside out. We appreciate that.

Mr. Carr. I would be happy to have you come back and tell us that you exceeded expectations.

Mayor Hood. I will plan to do that.

Thank you very much.

Mr. Carr. It's not so much fun to come back here and try to justify why you didn't reach the numbers. [Laughter.]

Mayor Hood. Believe me, we are all accountable to the people we represent and serve. I understand that as well.

Thank you very much, Mr. Chairman.

Mr. Carr. Thank you.

[Response to the Hon. Wolf follows:]

Q.1. ***What organization would be the recipient of the federal funds requested?***

A.1. City of Orlando. The City is coordinating closely with the local transit agency which will be the service provider through an operating agreement.

Q.2. ***How much money are you requesting from this subcommittee for FY 1994?***

A.2. $7 million.

Q.3. ***What will these funds be used for?***

A.3. $1 million to complete final design. $6 million to undertake vehicle procurement (a 30-month process -- see previous correspondence). The City intends to fully commit these funds by January, 1994.

Q.4. ***Are you requesting any funds for non-construction purposes? If yes, what would these funds be used for?***

A.4. Yes. (See A.3.)

Q.5. ***What impact does this project have on our national transportation network, or any other federal purpose, which would justify the request for funds from this subcommittee?***

A.5 OSCAR will provide collection and distribution services for AMTRAK, the Florida High Speed Rail system, and a Central Florida regional rail transit system through interconnections at an intermodal terminal which is being planned as part of the project (but which will be funded separately). OSCAR will also intercept commuter auto trips at the downtown periphery and eliminate many mid-day auto trips entirely. This will provide relief to key (congested) sections of Interstate 4, State Road 527 and State Road 50, all candidates for National Highway System designation.

Q.6. ***For FY 1993, what is the total amount of federal funds that this organization received, and what activities were funded by these amounts?***

A.6. Congress provided $2 million for planning and engineering in FY 1993.

Q.7. ***Has the project received federal funds in prior years? In what fiscal years were those funds received and in what amounts? How much of your annual budget comes from federal dollars?***

A.7 Congress provided $1.0 million in FY 1992 for planning and engineering which was later reduced by administrative action of US DOT to $510,000. Prior to FY 1992, about $900,000 in federal Section 9 allocated funding was utilized for pre-AA planning and conceptual engineering. Most of the City of Orlando's annual budget comes from local tax sources.

Q.8 ***Will you be seeking additional funds from this subcommittee for this project in the future?***

A.8 Yes. The City will request another $28 million for construction and construction-related costs over the next two federal fiscal years.

Q.9. ***What is the total expected cost of the project? What percentage of the total cost of this project would be funded by the federal government?***

A.9. The forecast total project development cost (planning, engineering, right of way, vehicle procurement and construction) is $48.2 million. Of this amount, the requested federal participation will total $38.5 million (about 80%). The City has committed to operating the OSCAR system entirely out of local resources, with no Section 9 funds used for operating support.

Q.10. ***How much state, local or private funds will be used for this project?***

A.10. Total state participation will be $4.8 million. The local share of the above $48.2 million will be $4.9 million. Additional amounts of local and private funding not included in the $48.2 million include land costs for the intermodal terminal (private contribution), land costs for the trolley maintenance facility (private contribution), project management costs (City-funded), land for trolley corridor adjacent to Livingston Street (Orange County and private contribution), land for trolley corridor and station platform at Bob Carr Auditorium and Orlando Arena (Centroplex public agency contribution). In addition, as noted above, all operating funds will be provided by the City of Orlando from local sources.

Q.11. ***Are you seeking funds this year from any other federal source, or any other appropriations subcommittee for this project, or any other project?***

A.11. No funds are being sought from any other federal source or appropriations subcommittee for this project. The City of Orlando is not seeking line item funds from Congress for any other project this year.

Q.12. ***If the project for which you are seeking federal funds from this subcommittee is a highway project, where does it rank on the state's priority list?***

A.12. Not applicable (transit project).

Q.13. ***If the project is a transit project, does the general public in your area support the project?***

A.13. OSCAR has been programmed for funding by the Orlando Urban Area Metropolitan Planning Organization and by the City. The project was developed through a public participation process including public meetings, workshops, a project storefront, presentations to interested groups, and extensive consultation with downtown businesses impacted by construction. Public opinion about the project is generally positive..

Q.14. ***Has there been any public financing mechanisms initiated at the state and/or local level to help fund this project (highway or transit), such as a dedicated gas tax increase or a bond referendum? If so, please provide the specifics, and, in the case of any proposed bonding authority, please indicate the results of placing this project before the public.***

A.14. No financing program requiring a public referendum has been proposed.

Q.15. ***Do you have local and federal support?***

A.15. Yes. Both the City and the Metropolitan Planning Organization have approved the project and included it in their transportation improvement programs. Orange County and the regional transit provider have actively supported the project. We have coordinated closely with Federal Transit Administration and Florida Department of Transportation staff. Congress has appropriated funding for OSCAR in each of the last two years.

WEDNESDAY, MARCH 24, 1993.

ASSOCIATION OF AMERICAN RAILROADS (AAR)

WITNESSES

EDWIN L. HARPER, PRESIDENT AND CHIEF EXECUTIVE OFFICER, AAR
ROY A. ALLEN, VICE PRESIDENT, RESEARCH AND TEST, AAR

Mr. CARR. Our next witness will be Ed Harper, Association of American Railroads, joined by Roy Allen.

Thank you for being here again.

Mr. HARPER. Thank you, Mr. Chairman. It's a pleasure to be back with you and the committee.

For the record, my name is Edwin L. Harper. I am president of the Association of American Railroads. I will submit my statement for the record and just give a brief oral summary of a few points.

As you know, the Association has about 91 percent of the freight ton miles, about 90 percent of the employees, and about 91 percent of the freight revenues of the United States. Also on our board is Amtrak, the Canadian railroads, as well as the Mexican railroads.

With me today is Roy A. Allen, our vice president for research and test. We appreciate the opportunity to present our views—those of the American railroad industry—on FRA's fiscal year 1994 R&D budget.

I would like to begin by thanking you, Mr. Chairman, and this subcommittee for recognizing the importance of rail research last year when you increased FRA's budget for the funding of the Transportation Test Center in Pueblo, Colorado by $1.5 million. As a result of this, we were able to accelerate our research on moving heavy loads on the rails and also investigation of bearing failures on rail steel-wheeled vehicles, and finally to undertake the needed capital expenditures to maintain the Federal Government's $100 million investment in the Transportation Test Center.

As this subcommittee has recognized, substantial public policy benefits also flow from rail R&D spending. Locomotives, tank cars, other freight cars, as well as transit equipment are thoroughly tested at our rail dynamics laboratory and given the opportunity to run over the mileage of track that we have in a safe and isolated environment.

Finally, since 1985 over 10,000 emergency response personnel from the public and private sector have been trained at our hazardous materials test center, which includes real-life scenarios of rail and highway accidents.

Therefore, at this time I would like to ask the subcommittee to consider funding the FRA's R&D activities at a minimum level of $5.2 million for fiscal year 1994 for projects to be conducted at the Transportation Test Center. Although we have not yet seen the Administration's request for fiscal year 1994, we believe this to be a minimum funding level to maintain the viability of that center.

Included in the $5.2 million would be $500,000 for the continued rehabilitation of the center. This facility, as you may recall, is over 20 years old and is in need of refurbishment and investment. We have worked with the FRA to develop a long-term plan for the renovation of the site and the necessary modernization for that facility.

Secondly, we would like to request continued funding of vehicle track interaction effects, such as axle loadings, track response to various vehicle configurations, and the dynamic characteristics of heavy loads moving over steel wheels at higher speeds than before. As a result of the increase funding in last year's bill, over $1 million of addition research is being conducted in fiscal year 1993 on heavy axle loading, on track buckling, and wayside inspection technology.

The importance of research in low-friction vehicle track interaction is the source of the unique benefit that rail transportation can offer to our economy—high energy efficiency with minimal environmental impact. If we are able to build on this successful industry/Government cooperative research in the freight area, substantial public benefits come down the road.

Many facets, in fact, of the Administration's proposed technology policy could be accomplished through increased railroad R&D. These include using the technology to improve our international competitiveness, improving the capacity and quality of the U.S. infrastructure, improving the safety of U.S. transportation, and improving and protecting the environment while reducing the use of energy.

In conclusion, Mr. Chairman, the railroad industry and the FRA are funding a Transportation Research Board conference on railroad research in July of this year to develop a specific agenda and priorities for cooperative railroad research activities considering the interests and concerns of the Federal Railroad Administration, the railroad industry, suppliers, and shippers. The objective of this conference is to develop an agenda which the Congress may consider at an appropriate time in terms of the amount of support that would be needed in future years.

At this point, we would be delighted to answer any questions you may have.

[The prepared statement of Mr. Harper follows:]

STATEMENT OF EDWIN L. HARPER
PRESIDENT AND CHIEF EXECUTIVE OFFICER

ASSOCIATION OF AMERICAN RAILROADS

BEFORE THE

SUBCOMMITTEE ON TRANSPORTATION AND RELATED AGENCIES OF THE
HOUSE APPROPRIATIONS COMMITTEE

ON

FRA'S PROPOSED FY 1994 R&D BUDGET

STATEMENT OF EDWIN L. HARPER

My name is Edwin L. Harper. I am President of the Association of American Railroads (AAR). The AAR is a trade association whose members operate 76 percent of the line haul mileage, employ 90 percent of the workers, and produce 91 percent of the freight revenues of all railroads in the United States. With me is Roy A. Allen, the Association's Vice-President for Research & Test. We appreciate the opportunity to present the views of the American railroad industry on FRA's 1994 R&D budget.

SUMMARY & RECOMMENDATION

Last year when I testified before this Subcommittee I emphasized the following major points:

- The Federal Government should re-orient its approach to railroad research and development to reflect the significant public interest involved in improving conventional railroad systems.

- The Transportation Test Center in Pueblo, Colorado (TTC) is a key element of any effective railroad research program. To maintain its viability, an additional $1.8 million was needed in the 1993 budget.

I am gratified that Congress saw fit to add $1.5 million of this request to FRA's budget in FY 1993. As a result, AAR will be able this year to accelerate the pace of heavy axle load, track buckling, and bearing failure detection work and to undertake needed capital expenditures at TTC.

AAR makes the following recommendations concerning the FRA's 1994 budget for R&D:

- **FRA'S BUDGET FOR WORK TO BE CONDUCTED AT TTC SHOULD BE AT LEAST AT THE LEVEL NECESSARY TO MAINTAIN THE VIABILITY OF TTC AND TO COVER ANTICIPATED INFLATION. THAT AMOUNT IS $5.2 MILLION.**

- **OF THE AMOUNT BUDGETED, AT LEAST $500,000 SHOULD BE EARMARKED FOR SITE RENOVATION AND RESTORATION.**

- **TOP PRIORITY SHOULD BE GIVEN TO RESEARCH INTO VARIOUS ASPECTS OF VEHICLE-TRACK INTERACTION.**

And for the future:

- **R&D INTO RAILROADING CAN GENERATE SIGNIFICANT PUBLIC BENEFITS. A SIGNIFICANTLY EXPANDED GOVERNMENT - INDUSTRY COOPERATIVE RESEARCH PROGRAM, BUILDING ON THE SUCCESS OF CURRENT PROGRAMS, SHOULD BE DEVELOPED FOR INCLUSION IN THE FRA FY 1995 BUDGET AND BEYOND.**

BACKGROUND

FRA's R&D budget has declined significantly from over $50 million a year in the late 1970s to about $10 million a year in the late 1980s. Congress' action to increase FRA's FY 1993 R&D budget for conventional railroads was the first significant increase in that budget since the 1970s. However, when viewed in constant (1993) dollars (Exhibit 1) the continuing low level of FRA R&D funding for conventional railroading is evident.

Along with the decline in FRA's R&D budget over time, there was a change in the thrust of FRA's railroad R&D, from promoting technological change and increased safety and productivity to a focus solely on safety issues.

One reason for the decline in FRA's budget was AAR absorption of much of the federal share in research costs. In 1982, AAR reached agreement with the FRA to operate the Transportation Test Center in Pueblo, Colorado. Before 1982, TTC had been operated by for-profit contractors on a fee basis and TTC support was a major element in FRA's budget; virtually all of the work at TTC was government funded.

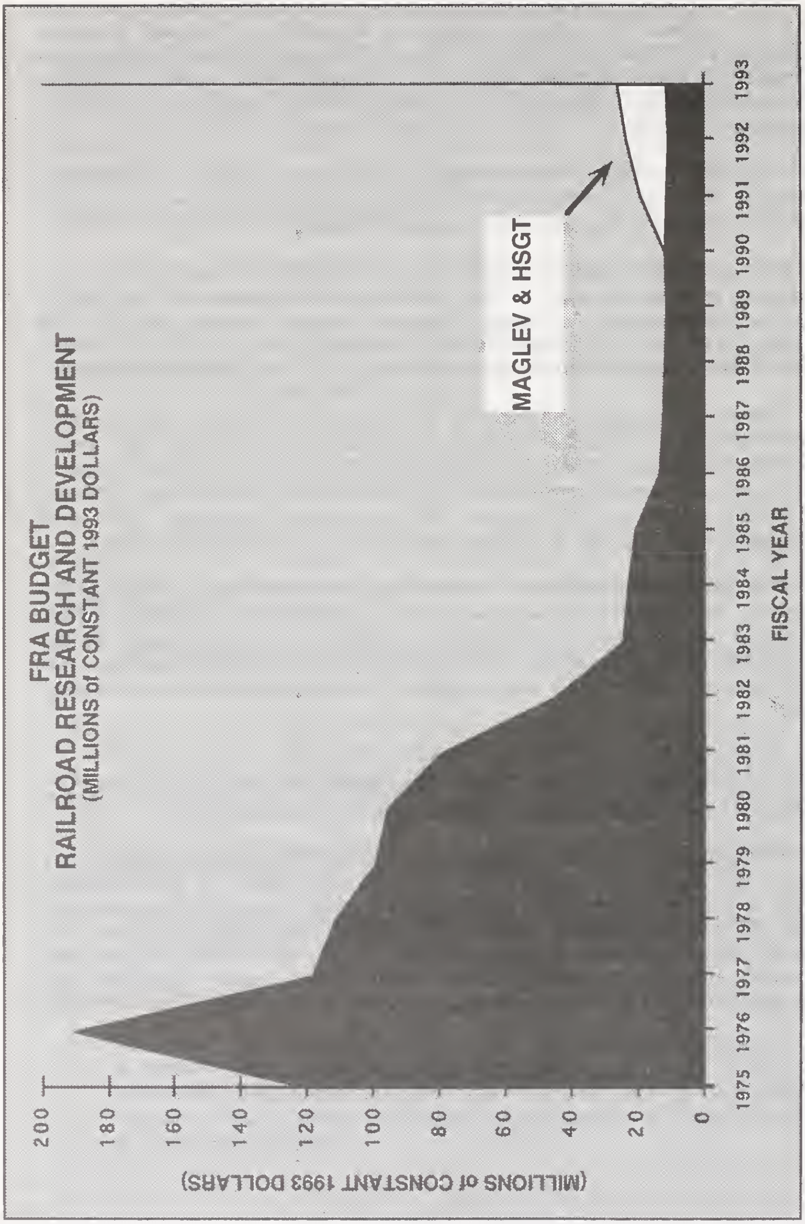
AAR's decision to assume operation of TTC was a reflection of changing times and circumstances. Because railroads recognized that increased R&D was a competitive necessity, AAR's joint research efforts, which allow railroads to share research costs and benefit from economies of scale, were augmented from a budget of $7 million in 1980 to $26 million in 1993. Further, in September 1992, AAR reached agreement with FRA to continue operating TTC for the next ten years.

TTC is an excellent example of successful government-industry partnership and cooperation. Government has been freed of much of the cost of operating TTC but is still able to take full advantage of the site's capabilities. And AAR operation of TTC has increased its value to railroads, railroad suppliers, and transit companies. It is doubtful that this valuable R&D asset would still be available had AAR not assumed operation.

THERE IS A SUBSTANTIAL PUBLIC PURPOSE IN ENSURING THAT THE TRANSPORTATION TEST CENTER REMAINS A VIABLE, WORLD-CLASS FACILITY

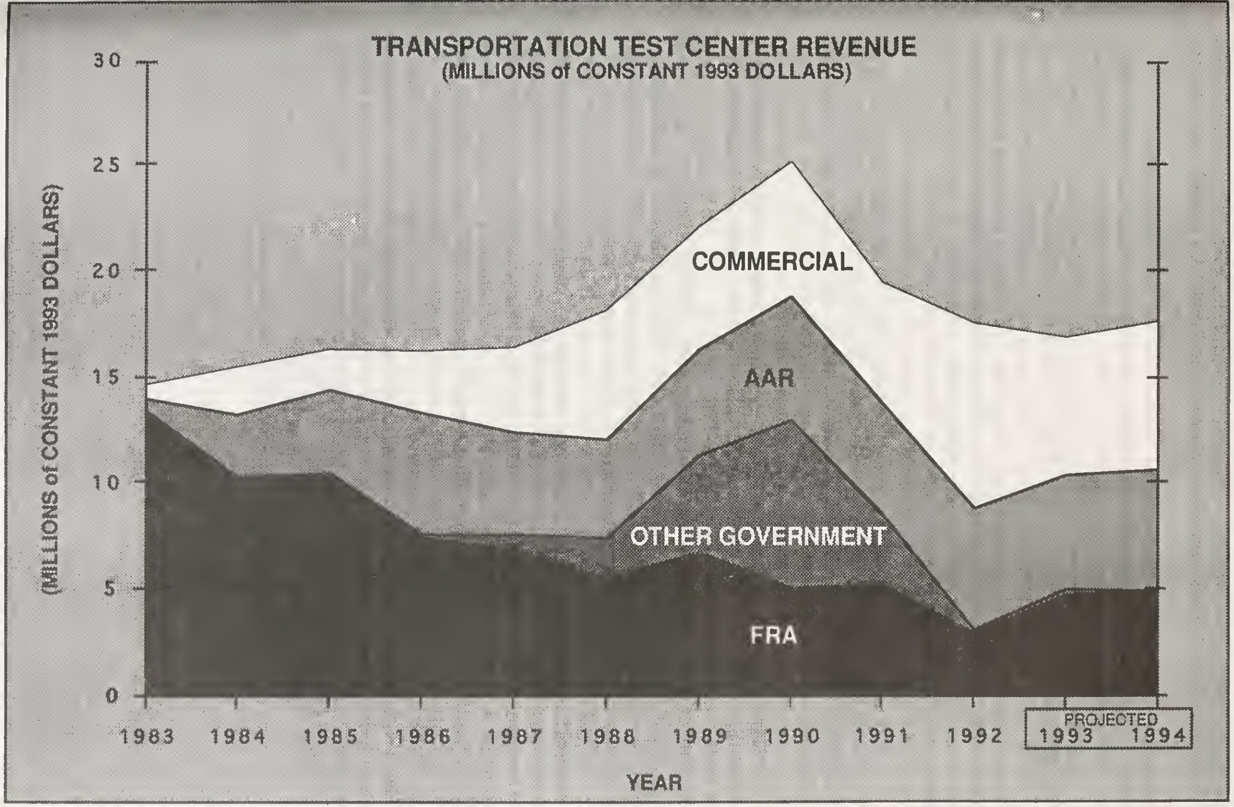
An adequate level of FRA research conducted at TTC is crucial to that facility's viability. AAR seeks to operate TTC on a break-even basis. Of great concern, however, is that the decline in FRA's budget has involved deep cuts in work done by FRA at TTC, from $9 million in 1983 ($13 million in 1993 dollars) to a low of $3 million in 1992. As Exhibit 2 shows, the use of TTC by railroads, the AAR and commercial customers, including railroad suppliers and transit companies, has increased significantly since AAR assumed operation of TTC. But the decline in FRA

Exhibit 1



FRA BUDGET
RAILROAD RESEARCH AND DEVELOPMENT
(MILLIONS of CONSTANT 1993 DOLLARS)

Exhibit 2


TRANSPORTATION TEST CENTER REVENUE
(MILLIONS of CONSTANT 1993 DOLLARS)
(MILLIONS of CONSTANT 1993 DOLLARS)
30
25
20
15
10
5
0
COMMERCIAL
AAR
OTHER GOVERNMENT
FRA
1983
1984
1985
1986
1987
1988
1989
1990
1991
1992
PROJECTED
1993
1994
YEAR

use threatens viability. Because of Congress' action last year the level of FRA funding in 1993 should reach $4.7 million. This level of funding is nearly the $5.0 million (in 1993 dollars) minimum level required to ensure the continued viability of the Test Center.

TTC is unique in the world. For example, its Rail Dynamics Laboratory (RDL) has two machines that simulate the ride that a vehicle would experience running over track. They are used extensively by FRA, AAR, and by railroad supply companies. One FRA project used the RDL to look at the fatigue life and safety of a particular design detail on a railroad tank car. FRA's work was so successful that carbuilders were encouraged to expand their testing program at TTC, with a resulting increase in the safety and reliability of rail transport. A third machine, that allows stationary performance testing of locomotives and rolling stock, has helped in the development of advanced locomotives.

TTC has other laboratories and a well-trained staff of just under 200, some of whom are world-renowned experts in freight and passenger railroad research. The Center's other major resource is 50 miles of track where carefully controlled experiments can be conducted.

The Center is used to test and certify the safety performance of new freight cars before they operate on the Nation's railroads. Similarly, locomotive manufacturers and transit and commuter agencies use TTC tracks to work the bugs out of their new designs. It is far safer and more conducive to developmental work to test in the controlled conditions at TTC. Last year, the former Chairman of this Subcommittee received a number of letters from transit authorities attesting to the importance of TTC to this section of the rail community. That interest continues.

Another important use of TTC has been emergency response training involving hazardous materials (hazmat). The railroad industry established a hazmat emergency response training facility and program at TTC in 1985. The training features full-scale transportation equipment (both rail and highway) in emergency scenarios. Over 10,000 people from the public emergency response sector and from railroads and chemical companies have been trained by the training center since it opened.

TTC's capabilities should be considered as Congress reviews the many proposals for accelerating the development of new, high speed ground and MAGLEV technologies. TTC represents a unique resource that should be fully utilized in the programs that emerge from these efforts.

FRA'S FY 1994 BUDGET SHOULD (1) PROVIDE AT LEAST THE MINIMUM SUPPORT NECESSARY FOR PRIVATE SECTOR OPERATION OF TTC AND (2) INCREASE, OR AT LEAST CONTINUE AT THE SAME LEVEL, FRA R&D INTO VEHICLE TRACK SYSTEMS.

AAR has not seen any Administration proposal for FRA R&D or for work to be conducted at TTC. However, at a minimum AAR suggests that the FY 1994 budget should:

- Provide for at least $5.2 million in funding for projects to be conducted at TTC.
- Provide for the continuing renovation of TTC.
- Reflect the considerable potential for expanded cooperative research in several areas of railroad technology - in particular vehicle-track systems.

The minimum level of FRA activity AAR needs to maintain TTC's viability is $5.2 million a year; this is based on the 1993 estimate updated for inflation. With that level of FRA activity, AAR will be able to achieve break-even operations at TTC and maintain TTC's world-class capabilities. Should FRA revenues drop below that level for extended periods, AAR could not maintain the range of state-of-the- art capabilities TTC offers despite the growth anticipated in commercial use of the site.

In September, 1993, AAR agreed with FRA on a ten-year contract for AAR operation of TTC. The agreement recognized the $5 million level of FRA activity required for viable operation and included a strong statement of intent on FRA's part to seek budget authority to maintain at least such a level. Under the contract, AAR has the option of withdrawing from the contract at no penalty should such a level not be reached. AAR would be reluctant, however, to use that option, and would do so only as a last resort, since the arrangement has served both the railroad industry and the public interest very well over the years.

Since the facility is over 20 years old, and investments will have to be made to ensure that TTC can continue to perform with world class state-of-the-art capabilities, some $500,000 of the minimum annual FRA funding should go to site renovation. AAR has developed a long-term plan for site renovation and modernization which requires this level of FRA funding. Congress enabled FRA and AAR to make a start on this renovation in 1993. In 1993, AAR will replace the roofs on several DOT owned buildings, restore the solar heating system on the DOT owned warehouse and laboratory building, and upgrade TTC's electric power system. Continued progress should be included in the 1994 budget.

Maintaining at least the minimum level of annual funding at TTC will result in funding for railroad R&D which is justified by the public interest. Of particular importance is cooperative research into many facets of vehicle/track interaction, such as axle loadings and track response to various vehicle configurations and dynamic characteristics. Congress recognized the importance of this work last year in increasing funding over and above FRA's budget request for heavy axle loads, track buckling, and bearing failure detection.

As a result of Congress' action last year, an additional $1 million in R&D will be conducted this year in three crucial areas:

- Heavy Axle Loads. Railroads are in various stages of implementing increased axle loads. Increased axle loadings have significant potential to improve railroad efficiency and productivity but raise issues concerning their influence on track and vehicle integrity. Congressional action resulted in an additional $500,000 in Federal support for this cooperative industry-government program. As a result, FRA is contributing $2 million to supplement industry's $2.6 million funding for the project in 1993. This funding will enable operation of the heavy axle load test train with minimal downtime in 1993 and accelerate the accumulation of data crucial to the evaluation of maintenance and safety implications and to establishing a base upon which to evaluate ways to mitigate any accelerated infrastructure deterioration that may result.

- Track Buckling. Congressional action also accelerated R&D into the lateral strength and stability of the track structure. FRA has earmarked $250,000 for track buckling research at TTC in 1993 to evaluate basic safety issues of track strength, rail thermal stresses, and maintenance techniques. In addition, $100,000 will be devoted to R&D directed by the Volpe National Transportation Systems Center which will address the lateral strength of concrete ties, provide additional data on the reliability and safety of track using concrete ties, and develop and test remote data acquisition equipment to warn of unsafe conditions.

- Wayside Inspection Technology. Congressional action resulted in $150,000 in FRA support for cooperative research into detection systems for failed bearings. This support has enabled FRA and AAR to pursue a cooperative program to quantify current detector performance, determine whether acoustic techniques can be reliably used, identify needed improvements in acoustic systems, and investigate alternative strategies. The program will involve railroads, suppliers, FRA, and significant input from universities and, hopefully, national laboratories.

All three of these issues address the interaction of vehicle and track, a subject, fundamental to railroad safety and efficiency. The low friction in railroad vehicle-track interaction is the primary source of the industry's competitive strength, high-energy efficiency and the resulting low environmental impact. Further, railroads are unique among transportation modes in that they own and control both vehicles and rights of way. While there have been great advances in understanding vehicle-track relationships, much more needs to be known to optimize performance and further improve safety. Therefore, issues like axle loadings, track strength and integrity and vehicle dynamics are basic to the achievement of both public and private objectives for rail freight.

R&D INTO RAILROADING CAN GENERATE SIGNIFICANT PUBLIC BENEFITS. A SIGNIFICANTLY EXPANDED GOVERNMENT - INDUSTRY COOPERATIVE RESEARCH PROGRAM, BUILDING ON THE SUCCESS OF CURRENT PROGRAMS, SHOULD BE DEVELOPED FOR INCLUSION IN THE FRA FY 1995 BUDGET AND BEYOND

While the long-term decline in FRA's railroad R&D has occurred, R&D spending by the Federal government for other modes of transportation has increased. DOT has changed its policy towards transport R&D to promote technological change rather than solely to address safety missions. The Intermodal Surface Transportation Efficiency Act (ISTEA) provided a dramatic example of the new attitude toward transportation R&D, authorizing $725 million for maglev R&D and $660 million for intelligent vehicle highway systems, each over 6 years. Urban transit R&D, which, like railroad R&D, had been sharply reduced in the 1980s, was sharply increased by ISTEA. DOT's budgets, and ISTEA authorizations, focus heavily on passenger research. President Clinton's new technology policy also places great emphasis on promoting new passenger technologies.

While primarily a rail freight organization, AAR has a significant interest in passenger railroading, and in R&D issues that impact both the freight and the passenger sectors. Amtrak is a member of the AAR, as is METRA, the commuter rail operator in Chicago. Further, several freight railroads are commuter railroad operators as well. AAR is actively seeking memberships from other commuter railroads because there is significant joint interest in areas like motive power, emissions, and non-destructive evaluation of track, structures and equipment that should be progressed through joint R&D. Given the importance of passenger railroading to urban transportation issues, DOT should have a significant interest in such issues as well, but they are largely ignored in current DOT R&D budgets.

While the renewed commitment to passenger transportation R&D is laudable, Federal support for railroad freight research continues at low levels despite its significant potential to promote public benefits. Further, FRA continues to focus solely on R&D related to railroad safety. While such research is undeniably important, and AAR is working cooperatively with FRA in several safety areas, federal support for railroad R&D could contribute to several other public policy objectives and address societal problems of air pollution, traffic congestion, safety, energy consumption and taxpayer strain.

THERE IS SIGNIFICANT PUBLIC INTEREST IN ENSURING THAT THE APPROPRIATE LEVEL OF FEDERAL R&D EXPENDITURES IS DEVOTED TO FREIGHT RAILROAD SYSTEMS

Some areas of potential innovation are characterized by a combination of relatively long-term R&D activities, substantial uncertainty, relatively large implementation costs, and substantial potential social benefits in relation to industry benefits. In such areas public participation could substantially accelerate the introduction of new technology and operating procedures into the U.S. rail industry.

The rail industry and government have a long history of successful cooperation through joint FRA-AAR R&D efforts including the Track-Train Dynamics Program, the Freight Equipment Management Program, and the Facility for Accelerated Service Testing (FAST). These efforts have resulted in successful resolution of rail transportation problems and the introduction of new rail technology to the benefit of both the railroads and society. There is, therefore, an existing institutional history that would suggest that expanded cooperative research can be quickly and efficiently implemented.

Public investment in cooperative rail R&D efforts could contribute to several public policy objectives, including those enunciated in the Clinton Administration's proposed technology policy. These include using technology to improve international competitiveness, improving the capacity and quality of the U.S. infrastructure, improving the safety of U. S. transportation, and improving and protecting the environment while reducing energy use.

The potential contribution of cooperative rail R&D to the goal of improved international competitiveness is best exemplified by work in the area of heavy axle loads (HAL) and intermodal transportation. The development of new equipment and maintenance practices which can economically accommodate increased axle loadings offers the best opportunity to improve the productivity of rail transportation of bulk materials. This contributes directly to the world market position of important U. S. exports such as coal, grain, metal products, and other agricultural and forest products. Rail bulk transportation productivity contributes indirectly to general industrial productivity through its impact on coal costs at power plants and the resulting impact on electrical energy costs. Also impacted are the delivered costs of industrial chemicals, steel and other metals, and agricultural inputs such as fertilizers and agricultural chemicals. To the extent that R&D efforts can contribute to maintaining and improving the productivity of rail transportation of bulk materials, U. S. competitiveness is improved.

The importance of intermodal transportation is growing. Progress in this area helps U. S. industrial productivity and competitiveness, as do container movements of raw materials and finished goods to port for export.

The need to improve intermodal transportation has been a driving factor in many of the technological improvements on the railroads in the past ten years or so. A whole host of new rail vehicle designs for transporting trailers and containers have been developed, ranging from skeletonized, lightweight vehicles for hauling trailers to "well" cars for carrying double-stacked containers. Such technology continues to demonstrate the viability of rail movement as an alternate to congested highways.

Technology has advanced significantly in many other areas. Rail vehicles for transporting bulk commodities are of such lighter weight than they were a decade ago through the use of advanced construction techniques and alternative materials such as aluminum, plastics and composites. Computers are now common-place in locomotives and have led to significant advances in productivity and safety. Communications systems have changed dramatically as the industry moves rapidly towards providing a "seamless service" to its customers.

All the new technologies of the last decade are too numerous to mention here but they contradict a common misconception that freight railroading is a mature industry. And there are many more technologies that are being developed now that will further improve safety and productivity in the future. For instance, just as government is improving the air traffic control system and investigating intelligent vehicle highway system, the AAR has spent more than $25 million determining the feasibility and beginning initial work on advanced train control systems.

Advanced train control systems and improved dispatching can contribute to improving the economics of both passenger and freight transportation. The successful introduction of new or increased commuter rail services in many rail corridors will depend on improved utilization of the infrastructure with selective upgrading and introduction of additional facilities. R&D will be required if advanced technology in dispatching and control systems are to reach desired levels.

Improved operation control will contribute to the goal of improving the capacity and quality of the infrastructure. It will also play a significant role in improving safety, as will many other technologies. Rail is already the safest land transportation system for both freight and passenger. But the industry must continue to strive for improvement and accelerate, if possible, cooperative R&D into new initiatives to improve safety. Automated train inspection procedures are prime examples. The industry is moving towards integrated track-side stations for such inspections which could include checking wheels, bearings and brake equipment automatically through the use of non-destructive inspection technology and artificial intelligence systems.

The industry would also like to move towards performance-based safety standards and R&D can help meet this objective. By focusing the safety regulations on overall railroad safety performance, the detailed decisions concerning the specific activities, technologies and resources can be decided by the industry. Both the FRA and AAR have done some R&D in this area, the development of vehicles to measure track strength being one example. Even broader based performance standards may be possible and would lead to improved safety and productivity.

Another important area for potential cooperative R&D is in the area of energy and the environment. Existing rail transportation is energy efficient and results in less air pollution than competing modes. Alternative technology may improve this further in the future. Locomotive manufacturers and railroads are continually striving to improve the efficiency and reduce pollutants in the diesel-electric locomotive, while investing resources in investigating the use of alternative fuels such as natural gas. Federal funding for the development of longer-term technologies that require large R&D investment, such as the application of fuel cells for locomotives, would be particularly appropriate. If fuel cell technology can be developed for the locomotive application, significant reductions in air pollution can be achieved.

In progressing the application of these innovative railroad technologies, the national laboratories, whose skills are being redirected to civilian technology, could be of great assistance. The Clinton Administration's thrust in civilian use of national laboratories will hopefully include innovative rail technologies.

AAR and FRA are funding a Transportation Research Board conference on railroad research in July 1993 to develop a specific agenda and priorities for cooperative railroad research activities considering the interests and concerns of FRA, railroads and suppliers. Railroads, suppliers and FRA will certainly have their own agendas, but there are substantial commonalities and none of the parties, restricted by scarce R&D dollars, can afford to miss opportunities for cooperative or at least coordinated activities. The objective of this conference is an agenda that Congress may consider in terms of the amount of support it feels appropriate and in what areas.

We should be pleased to answer your questions.

Mr. Carr. Thank you very much, Mr. Harper.

You say you have no idea what the Administration is going to propose. Any anecdotal information in that regard?

Mr. Harper. Some of the anecdotal information in that regard would be that we have worked with them in developing a long-term plan for the refurbishment and keeping the facility up to speed. As you will recall, it was originally developed about 20 years ago to be a high-speed ground test center.

Over that period of time, the tracks have undergone a lot of use. There have been a tremendous number of tests there, and this does need to be upgraded on a continuing basis. I think they are supporting the program we have outlined.

Roy, do you have anything to add?

Mr. Allen. I think everything you said was absolutely correct.

Anecdotally, we think they're going to apply for a budget roughly the same as last year, from what we understand, but we are not aware of some of the details. Certainly they have supported the heavy axle load to a lower degree than you authorized last year. They have supported heavy axle load experimentation for the last 3 or 4 years. I believe that is still in the current plan.

Mr. Carr. Do they do electronic testing out there, too, or is that pretty much just on the dynamics of the train itself?

Mr. Allen. At the test center itself, it is pretty much under the dynamics of the train. We do a little bit on the signalling side, but not a great deal. We have a project on the signal system for highway crossings. That is round about $200,000, I believe.

Mr. Carr. We are aware of efforts by Amtrak to do research and development of new power units. On the freight side, is there any research in that area being undertaken?

Mr. Harper. Indeed there is a great deal of research on power units and the AAR and this facility has. In particular, we have been looking at AC traction units as they apply to heavy duty freight power units.

Roy, would you care to expand on that briefly?

Mr. Allen. The AC traction motor is a more reliable traction motor that actually powers the wheel sets. Also within the industry we have done research on natural gas- powered locomotives. We are looking at the environmental aspects of that.

We're considering at this point in time—and this is one of the suggestions of potential cooperative research in the not-too-distant future is the fuel cell technology. These fuel cells are being developed in national labs with DOE. At the moment, they are far too big and unreliable to consider within a locomotive environment. But we certainly feel that that is a technology that will be upon us in 10 years time.

Mr. Carr. Is there any talk in the industry about flywheel technology?

Mr. Allen. Yes. One of our member railroads is actively looking for a CRADA with a national lab. They have overcome all the hurdles and are now at the hurdle with the DOE.

Mr. Carr. Could this be Lawrence Livermore?

Mr. Allen. I honestly do not know which national lab it is. That is a good guess. That would be my guess as well. But I honestly don't know. But that sort of technology— again, that is probably out in the distant future—but nevertheless, with the remarkable change in materials and other technologies, that is starting to come up on the horizon as a possibility.

Mr. CARR. Why is the Transportation Test Center in Pueblo, Colorado?

Mr. HARPER. This was a decision made 20 years ago. I am not sure if I knew that I could recall at this point.

One of the things that we do have there is about 50 miles of track. You needed a fairly isolated area where you could lay 50 miles of track and where you could safely—it was originally envisioned as a high speed test center with vehicles moving well over 150 mph, perhaps over 200 mph. So for those reasons you had concerns about noise, safety, and you needed long stretches where you could lay a great deal of track in a relatively friendly environment.

Those may have been some of the considerations that went into the selection of Pueblo as the test center.

One of the advantages of having a test center is that it is hard to test railroad equipment on the bench. You need to have a place to run it and you need to have tracks to run it on that aren't in regular revenue service where you would have potential safety problems with passenger service or with other freight service.

Mr. ALLEN. Somebody just knew that Mr. Peña, the ex-mayor of Denver, was going to be Secretary of Transportation some day.

[Laughter.]

Mr. CARR. You are right that you have a lot of space there, but there is a lot altitude there which has to be taken into account in terms of operating efficiency. Most of America's railroads are not at those altitudes.

Mr. ALLEN. But that is not a huge factor, Mr. Chairman. It may be on some of the engine technologies, but for the vast majority of research we do it is irrelevant.

Mr. HARPER. Actually, we have been conducting some of our power technology in terms of adjusting the locomotives in Arizona at a contract laboratory there. We also have a facility in Chicago which we support.

Overall, on your line of questioning about the agenda, we feel that the Transportation Research Board's conference this summer is really going to generate these significant longer term agendas. We have been working on a list of projects which we think are very important and a very high priority. I feel that this conference is an ultimate of the discussion of everybody concerned in the industry as to what the ideal agenda is for the industry to pursue longer term.

Mr. CARR. I think you mentioned the other day in our high speed rail hearing something about the comparisons between the United States and European rail systems. It was pointed out that there were significant differences, one of them being weight. The Europeans operate with a much lower axle loading than we do.

Can you give us a background as to why this is? Are we out of step? Are they out of step? Or are we doing the right things because of our conditions versus their conditions?

We continually have to deal with the comparisons that some people on the street make between ourselves and the Europeans.

Mr. **Harper**. One of the things we find is that by operating much larger cars we can be a much more efficient rail operation. The European freight cars tend to be much smaller than ours, so ton-mile per employee is much lower in Europe and much higher in the United States. We simply have bigger vehicles and move more tons. I believe overall that is a much more efficient way to go. This had historically been the case and it was a process really accelerated in the 1970s as part of the trend of deregulation when the big John Hopper cars were introduced in the United States and developed here.

Mr. **Allen**. Really, it is a totally different industry. In Europe, of course, the whole railroad system is predicated upon transporting passengers. Freight is a bye-the-bye effort over there. I can vouch for that at least in Britain. That is most certainly the case.

In fact, when I worked in Britain, we just couldn't understand how the United States could operate such heavy axle loads. We thought the track just had to disintegrate. Obviously, it doesn't. And obviously we in the United States have proven otherwise.

But over here, U.S. freight railroads are the only freight railroads in the world that actually break even and don't have to be subsidized, as do the freight rail operations throughout Europe.

Mr. **Carr**. Is part of this research with new materials and technology aimed at reducing axle weights while still carrying the same large size?

Mr. **Harper**. We are using new lighter weight materials in the construction of the cars so that the gross weights are the same, but the net weight carried is larger. That is a specific and important concern in the design of the cars.

Mr. **Carr**. Is that something that is being tested at the Transportation Test Center?

Mr. **Allen**. Yes. We have a number of aluminum bodied vehicles being tested right now. It is easy enough to build one, but how long will it withstand the rigors of the rail environment is a question that two of the machines in the big laboratory we described are testing right now.

Mr. **Harper**. Another thing being tested there are new materials in terms of new alloys and so forth that go into the switch mechanisms that enable when these steel wheels hit up against the switch, to withstand that happening hundreds and thousands of times without disintegrating.

Mr. **Carr**. You have always been helpful to this committee. We will take your advice and try to do the best we can for rail in research and development.

Mr. **Harper**. Thank you. We appreciate your interest and support.

Mr. **Carr**. Thank you.

Wednesday, March 24, 1993.

NEW YORK HIGH SPEED RAIL

WITNESSES

STAN LUNDINE, LIEUTENANT GOVERNOR, NEW YORK STATE

Mr. Carr. Our next witness is my personal friend, now the lieutenant governor of the State of New York, former Member of Congress from western New York State, and indeed a neighbor of mine on Capitol Hill for many years, Stan Lundine.

It is nice to see you and welcome to the committee.

Mr. Lundine. Thank you, Mr. Chairman. I appreciate the opportunity to be here. You have my testimony, so I will summarize it and try to be very brief. I have two fundamental points I would like to make this afternoon.

First of all, since 1979, New York State's Empire Corridor has had the only high speed rail service outside the federally-funded Northeast Corridor. As high speed transportation enters a new age of Federal/State cooperation, New York believes that you ought to have two goals in mind: to improve immediately our existing service; and to look at the long-term future of high speed surface transportation. It is not in America's best interest, in our view, to look at quick fixes, but to take a long-term point of view.

Let me talk about the long-term first and then talk about what we can do immediately.

We in New York have done a number of studies, including our Thruway Authority and Energy Research and Development Authority. We're doing one in conjunction with the Commonwealth of Massachusetts. One of our studies showed that a maglev system could operate on the right-of-way along the New York State Thruway safely at speeds averaging 150 mph and at top speeds of 300 mph. I just compare that with the Northeast Corridor electrification project that will cost $2 billion with average speeds of only 78 mph and top speeds of 150 mph.

In order to say that on a long-term basis we think that you ought to provide some funding for the ISTEA demonstration for maglev, we would be glad to compete. I have actually had an opportunity this morning to hear about another competitor in Pittsburgh. We think it should be competitive.

But we think there is the possibility that maglev is the technology of tomorrow and that it has the potential to replace medium-distance air travel. It also has a tremendous opportunity for defense conversion. We could take companies who were primarily dependent upon military contracts to create good jobs in industry.

In the meantime, New York fully recognizes that in the short run we need to upgrade our current system and we don't think that we need to wait. We have a proposal before the FRA right now to demonstrate 125-mile rail passenger service within this calendar year.

As Graham Claytor told your subcommittee last week, New York's proposal is endorsed by Amtrak. Ten private corporations have expressed interest in it. New York's message to the FRA is that the Empire Corridor offers a true high speed test at minimal cost. That is because New York has already paid for the improved track and signal systems. A demonstration in the Empire Corridor will save money, reduce risks, and help other corridors upgrade their own infrastructure. Amtrak's enthusiastic support of this program is a solid endorsement of its value to America.

The problem that we're concerned about is that the FRA seems to be choosing to ignore the section 1036 of the ISTEA legislation defining 125 mph, the world's standard for high speed rail, as the threshold for funding and instead setting guidelines at 90 mph minimums. I don't know what they have in mind, but if they intend to spread the $5 million all over the country, I think very little will have been accomplished.

With that approach, not one single route, including the Empire Corridor will be able to achieve the 125 mph. The United States should be looking to lead the world in high speed transportation and only a focused development effort will earn us that leadership. We believe that part of the focus should be on the development of high speed locomotives that can operate on both electrified and non-electrified corridors.

This year's high speed train set procurement—Amtrak mentions plans for a dual-powered locomotive. We hope this is a commitment and not just a consideration as Mr. Claytor said in his testimony before this subcommittee on March 15th.

Most of all, we urge a true working partnership between the States and the Federal Government. If we plan together carefully, if we proceed together, we believe that it may be America's next great moment in history. We think the time to decide to take that step is now.

Thank you very much.

[The prepared statement of Lt. Gov. Lundine follows:]

TESTIMONY BY STAN LUNDINE
LIEUTENANT GOVERNOR, STATE OF NEW YORK
HEARINGS OF THE HOUSE TRANSPORTATION APPROPRIATIONS SUBCOMMITTEE
ROOM 2358, RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, D.C. MARCH 24, 1993

Chairman Carr, Congressman Wolf, members of the Subcommittee, thank you for the opportunity to testify this morning.

I'm here today because these hearings are vitally important to the future of high speed surface transportation in the United States. They have special importance for the State of New York.

For more than 160 years, New York has been a leader in intercity rail passenger service, a tradition and commitment we proudly maintain. Since 1979, Amtrak has regularly achieved speeds of 110 mph on segments of New York's Empire Corridor. This is the only high speed rail service outside the federally-funded Northeast Corridor, and was made possible by New York's investment of over $150 million in State funds.

Needless to say, New York State is pleased to see that both Congress and President Clinton are strongly committed to high speed rail. We believe it's no longer practical or productive for states like New York to "go it alone" in the development of high speed surface transportation.

As high speed surface transportation enters a new age of federal-state cooperation, I'd like to take this opportunity to briefly describe what New York is doing to address both the demand for immediate improvements and the longer term issue of future needs. New York firmly believes that both issues must be addressed. It is not in America's best interest to focus only on "quick fixes." We came to this conclusion after years of careful study.

My personal involvement began in 1990, when Governor Cuomo asked me to direct a multi-agency task force on high speed surface transportation. Our main goal is to evaluate the potential and suitability of different high speed technologies.

The task force has undertaken four major studies to guide New York's high speed program. One study found that there is sufficient right-of-way along the New York State Thruway for a tilt-body maglev to operate at speeds averaging more than 150 mph virtually throughout the corridor, with top speeds of 300 mph. Compare this performance with the Northeast Corridor Electrification Project, which will cost $2 billion and produce average speeds of only 78 mph and top speeds of 150 mph.

However, New York is not committed to building a maglev system, though we feel it may have distinct advantages over traditional steel-on-steel alternatives. We recognize that an intercity maglev system may be as much as two decades away, except on a demonstration basis. That's one reason New York is competing for funds appropriated by Congress for high speed rail technology demonstrations.

In this regard, I'd like to draw your attention to an expression of interest submitted by the New York State Department of Transportation for funding under Section 1036 (c) of the Intermodal Surface Transportation Efficiency Act of 1991. I believe New York's proposal offers an exceptional opportunity to demonstrate 125 mph rail passenger service outside the Northeast Corridor -- **and to do so within this calendar year at minimal cost.**

As Graham Claytor told you last week, New York's proposal has been endorsed by Amtrak. Ten private corporations have expressed interest in demonstrating their technologies. A number of other manufacturers may also be interested.

I hope the Federal Railroad Administration recognizes what New York is offering: a true high speed rail test bed at minimal cost. New York has already paid for improvements to tracks and signal systems. For the last 13 years we have safely operated passenger trains at speeds up to 110 mph along a 96-mile segment of this corridor.

Demonstrating high speed service in the Empire Corridor will save money, reduce risks and help other corridors upgrade their infrastructure. Amtrak's enthusiastic support of this program is a solid endorsement of its value to the nation.

However, a possible problem has arisen. I am concerned that the FRA has chosen to ignore Section 1036 of the ISTEA, which defines 125 mph as the threshold for funding. Instead, FRA guidelines set a 90 mph minimum. Everywhere else in the world the standard for high speed rail is 125 mph. Meeting this standard was certainly the intent of Congress as expressed in Section 1036. Why the FRA lowered the standard is unclear. Taking this backward step does not help America compete in the global arena, nor does it promote the development of high speed rail.

I'm sure the subcommittee recognizes that spreading $5 million at various locations around the country will produce little, if any, progress. Not one route, including the Empire Corridor, will be able to achieve 125 mph. New technology will not be tested at high speed.

I believe that developing and testing new technology must be one of our most important goals. The recent test of the X-2000 in the Northeast Corridor was a positive step. However, electrically powered locomotives are of no use in most parts of the U.S. because most rail corridors are not electrified. A successful high speed rail program requires that Amtrak develop locomotives that can operate in either electrified or non-electrified corridors.

In 1991, Congress recognized this essential requirement by appropriating $14 million for the development of dual-powered locomotives. Unfortunately, Amtrak has found all designs lacking in one respect or another, and has canceled the solicitation.

New York State believes the development of an advanced dual-powered locomotive must proceed without delay. America needs a locomotive that can do 125 mph in non-electrified territory, or in mixed electric and non-electric routes. I ask your support for both initiatives -- developing a dual-powered locomotive, and demonstrating 125 mph service in the Empire Corridor.

I understand that Amtrak plans to include an advanced dual-powered locomotive in the high speed trainset procurement they expect to move forward this year. New York hopes this represents a commitment by Amtrak, and not just a "consideration" as stated in Mr. Claytor's testimony of March 15.

With proper planning, America now has a tremendous opportunity to recover from past mistakes and make both short and long-term investments in high speed surface transportation. As I mentioned earlier, New York has commissioned four studies of high speed rail and maglev. Two are complete. Two will be finished this year. Our investigation of maglev is producing results that are both exciting and encouraging. We also recognize that very high speed rail -- such as the French TGV -- is a possible option.

But realistically, I believe it will be difficult to find rights-of-way for the kind of very high speed rail systems now operating in France, Germany and Japan. Maglev, on the other hand, appears compatible with existing highway corridors and, in the long run, may prove to be our best investment. As we work to upgrade our existing rail system, I strongly urge the Subcommittee to support the maglev demonstration program authorized by ISTEA.

Without such a commitment, the true value of maglev will never be understood, and maglev technology -- which was invented in New York -- will continue to be developed by other nations. The U.S. will be left behind in the race for a new generation of surface transportation systems. If the Subcommittee supports the ISTEA maglev demonstration, I believe America can leapfrog the competition. Our nation can lead the way to the 21st century.

We all realize that high speed surface transportation will require an enormous investment. In New York we're getting ready to make some very important decisions that have sweeping implications for commerce, industry and the mobility of our people. While I'm not sure which direction New York will take, I do know that America now has a golden opportunity to develop a working partnership between the states and the federal government.

If we plan carefully, and plan together, high speed surface transportation could be America's next great moment in history. The time to decide is now.

# # #

Mr. Carr. Thank you, Governor. We appreciate you coming down and telling us about New York's plans.

How much has New York put into the Empire Corridor to date?

Mr. Lundine. The entire amount that we have invested?

Mr. Carr. Yes.

Mr. Lundine. That would be $150 million.

Mr. Carr. And how much more needs to be done?

Mr. Lundine. We are asking for $5 million. That's all we think is necessary to achieve the 120 mph speeds between roughly Poughkeepsie and Schenectady, which is more than 100 miles.

Mr. Carr. The $150 million has been used primarily for what?

Mr. Lundine. Improvement of the track and the signal system.

Mr. Carr. How many grade crossings are there on that?

Mr. Lundine. There is a lot. I can't tell you how many. I will be glad to get that information for you.

Mr. Carr. A lot of people think about high speed and they don't think that one of the speed limiters is the number of grade crossings you have and not how fast the train will actually go.

Mr. Lundine. We have made tremendous improvements in our grade crossings on the east side of the Hudson River during the last decade, partly to improve freight as well as to improve the safety of the Amtrak system.

Outside of the Northeast Corridor, I would guess that the route from Albany to New York City, about 150 miles, is widely used and that the amount of ridership is probably as high as almost anywhere in the country.

We would propose a 125-mile demonstration just west as far as Schenectady.

Mr. Carr. Where does the Empire go now? Does it terminate in Albany?

Mr. Lundine. No, it goes west.

Mr. Carr. How many trains a day do they operate? Do you have any idea?

Mr. Lundine. I would guess six a day each way, but that is just a guess.

Mr. Carr. Can you let us know for the record how many seats are going in that corridor?

Mr. Lundine. We would be glad to do that. And we are pleased to compete for these funds. We are not here asking the subcommittee to designate us. We are just asking the subcommittee to direct the FRA not to compromise on the standards that have already been set into law.

Mr. Carr. It is our understanding that Amtrak wants to do a demonstration project, if you will, by reengining one of the French turbine trains. They anticipate using it on the Empire Corridor. Is that your understanding?

Mr. Lundine. We think dual use is a very important innovation and we strongly support that.

Mr. Carr. Outside of Amtrak's plans for that demonstration, I am curious why the Empire Corridor was not designated as one of the high speed corridors by the Secretary of Transportation.

Mr. Lundine. I can't answer that.

Mr. Carr. Was it submitted?

Mr. Lundine. Yes, it was.

Mr. Carr. Were there any other New York submissions?

Mr. Lundine. I don't believe so.

Obviously, we are part of the Northeast Corridor. Obviously, also I think you're well aware that we have improved the connection between the Northeast Corridor service and the Empire by having all the trains go into Penn Station where formally one terminated in Grand Central and the other at Penn Station.

Mr. Carr. I think its synergism is fairly obvious, but it is kind of curious to me—maybe you aren't the person to ask. Maybe we should ask the former Secretary of Transportation. When the designated high speed corridors, they certainly designated a high speed corridor from Saint Louis through Chicago to Detroit, but they had no problem designating also a spur up to Milwaukee as part of that corridor. Yet the Northeast Corridor has been designated without including specifically the Empire Corridor.

Mr. Lundine. Right.

Mr. Carr. I was just curious as to why they wouldn't do that.

Mr. Lundine. If we have any perspective on that, I would be glad to submit that subsequently for the record, but I can't tell you.

Mr. Carr. Mr. Wolf?

Mr. Wolf. Thank you, Mr. Chairman.

Welcome to the committee.

Mr. Lundine. We had requested to be designated—the Empire Corridor. We were not. And we believe that we're the only ones that can meet the 125 mph criteria. If the criteria is retained for this year, we believe we can do it and we can do it this year and we are probably the only one in the country who can.

Mr. Wolf. You just answered my question.

On page 4 you talk about the 90 mph versus the 125 mph. Who does that open it up to? How many additional?

Mr. Lundine. I don't know how many. We have just been told by FRA officials that they might want to spread this $5 million around the country by lowering it to 90 mph.

Mr. Wolf. So you don't know that as a fact?

Mr. Lundine. No, I don't.

Mr. Wolf. You say that you're concerned that the FRA has chosen to ignore section 1036—so you just heard that they may be doing this? You're not sure about it?

Mr. Lundine. Yes.

Mr. Wolf. And your concern is that if you drop to 90 mph, that opens up that many more. If you keep it at 125 mph that pretty much targets you all. And you think that 125 mph is what high speed is viewed at around the world.

Mr. Lundine. We think it is in the national interest to achieve that speed. If there is someplace else that can compete with us to do it, that is fine. We think that we can and that it is not rationale in the national interest to lower the standard beneath the world standard when you have only $5 million to spend on the demonstration.

Mr. Wolf. Help me here.

It says, "I am concerned that the FRA has chosen to ignore section 1036 of the ISTEA." What does that say?

Mr. Lundine. That is should be a 125-mile demonstration.

Mr. Wolf. It says that clearly?

Mr. LUNDINE. Yes.

Mr. WOLF. I thank you very much.

Mr. CARR. Just in closing, I want to indicate that the nature of my questioning had to do with the fact that as you know the $5 million was designated for the high speed rail corridors, of which five were names and the Empire Corridor was not one. I think we are quite candidly going to have a hard time giving money. From a congressional point of view, it would require a waiver of a point of order to spend money that was designated to other places in a place that wasn't designated.

Mr. LUNDINE. I am not sure that this section is part of that designation. In fact, my understanding is quite the opposite. I don't think that is the problem that you do, but I will look into it further.

Mr. CARR. We will, too. But in addition, we are going to be, in all likelihood, supporting Amtrak's request for capital improvements in the turbine technology which will be operating on the corridor. So in the event the $5 million isn't there, we want you to know that we understand that we are making a contribution through Amtrak to that Empire Corridor in the testing of feasibility of higher speeds in the corridor.

Thank you for being here.

Mr. LUNDINE. Thank you.

[Additional information follows:]

STATE OF NEW YORK
OFFICE OF THE LIEUTENANT GOVERNOR
ALBANY 12224

STAN LUNDINE
LIEUTENANT GOVERNOR

March 29, 1993

Honorable Bob Carr
Chairman
Subcommittee on Transportation
House Committee on Appropriations
2358 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

Thank you once again for the opportunity to testify before your Subcommittee on high speed rail and maglev.

Following my statement at the hearings on March 24 you asked me to provide additional detail on New York's rail service along the Empire Corridor. At this time I am pleased to respond to the questions you raised. If I can be of further assistance, please call me, or Clark Whelton of my staff, at (518) 474-4623. In addition, Jim Goldwater of Governor Cuomo's Washington office can be reached at 638-1311.

QUESTION: Does Section 1036(c) of the Intermodal Surface Transportation Efficiency Act of 1991 specifically require 125 mph speed and in-passenger service?

ANSWER: As you know, Section 1036(c) of ISTEA established a national high speed ground transportation technology demonstration program. This section only requires that projects demonstrate advancements in high speed ground transportation technology on any high speed system in revenue service or under construction at the time the application is made.

While subsection (c) of Section 1036 does not define high speed ground transportation, subsection (e) contains a definition of high speed rail to be used in connection with the administration of the Railroad Revitalization and Regulatory Reform Act of 1976 as follows:

> "Definitions -- As used in this section, the term "high speed rail" means all forms of non-highway ground transportation that run on rails providing transportation service which is:
>
> (1) reasonably expected to reach sustained speeds of more than 125 miles per hour; and
>
> (2) made available to members of the general public as passengers."

This specific definition of high speed rail that amends existing federal railroad law is, in effect, the only definition for high speed surface transportation and should be used as the basis for FRA to advance the High speed Rail Demonstration program.

Section 1010 of ISTEA provides funds for the elimination of hazards at rail-highway crossings. We believe that the criteria for selection of high speed rail corridors used for Section 1010 (90 mph) does not constitute a definition of high speed ground transportation technology and is not relevant to Section 1036.

Section 1010 is specifically intended to provide funding for the elimination of hazards at rail-highway crossings "where railroad speeds of 90 miles per hour are occurring or are expected to occur in the future and where substantial rail passenger service is provided." This criteria does not constitute a universal definition of high speed rail, whereas the amending language to the 4-R Act cited above is clearly cited as a "definition" and, therefore, should be applied as the definition of high speed rail service.

It is clear that Congress intended that Section 1036 is to be used for the purposes of encouraging the development of new, high speed technologies. In Section 1036(c)(1), it is stated that the Secretary of Transportation and various federal departments "shall lead and coordinate Federal efforts in the research and development of high speed ground transportation technologies in order to foster the implementation of magnetic levitation and high speed steel wheel on rail transportation systems as alternatives to existing transportation systems" (emphasis added).

Since Amtrak has operated passenger service at speed up to 110 mph successfully in New York State in both electrified and non-electrified territories for more than 13 years, there is virtually no new technology research and development necessary to prove that a corridor can operate at 90 mph. It has already been achieved. The technology developed in New York is available to upgrade other corridors to at least 90 mph.

Congress clearly intended in Section 1036 that a program be established that would enhance the state-of-the-art in rail technologies, thus providing the seed money to enable speeds in excess of those already attained today.

New York believes that this clear congressional direction supports our position that Section 1036 be used for demonstrations of high speed service that improve upon what is already achieved today. New York's proposal to demonstrate 125 mph service unquestionably meets this intent.

Attached are two letters from the New York State Congressional Delegation in support of our "Expression of Interest" for the high speed demonstration program. The letters, to Secretary Pena and Graham Claytor of Amtrak, affirm New York's status as an existing high speed rail corridor capable of achieving speeds of at least 125 miles per hour with minimal improvements to the track and signal systems.

QUESTION: Why wasn't the Empire Corridor designated a high speed corridor? Did New York State apply?

ANSWER: The Empire Corridor was, in fact, designated as an existing high speed rail corridor (as was the Northeast Corridor) as part of the Federal Railroad Administration's designation process. As noted, Section 1010 of ISTEA authorizes funds ($5 million annually) for the elimination of hazards at railway-highway crossings in up to five railway corridors "where railroad speeds of 90 miles per hour are occurring or can reasonably be expected to occur in the future."

New York State applied for funding under this program and received $1 million to undertake the program objectives. The funds, however, did not come from Section 1010 but from discretionary Section 3 funds from the Federal Transit Administration. FRA recognized that the selection process was inherently unfair to existing higher speed corridors and worked with FTA to provide funding for New York. Letters communicating this award indicate that the five so-called high speed corridors are in addition to the two existing high speed corridors, the Northeast Corridor and the Empire Corridor (New York City to Buffalo). Attached is a copy of the letter announcing New York's grant that cites the Empire Corridor as an existing high speed corridor.

The selection process for the Section 1010 corridors appeared to be an attempt to qualify very long corridors around the country as 90 mph corridors -- in a sense, to establish a relatively low speed, but attainable, goal for these corridors. Some 2,500 miles of rail corridors were included with an almost equal number of crossings. To put this program in perspective, New York has found that it costs $250,000 to install proper gates and flashers to protect a 90 mph double track crossing. The entire $5 million national program for FY 1993 would therefore provide protection for less than one percent of the affected crossings in the selected corridors.

QUESTION: Was the $5 million designated for the Section 1010 corridors?

ANSWER: No. The $5 million authorized in Section 1036(c) of ISTEA was originally zero budgeted. But, with the full support of New York's Congressional Delegation, these funds were ultimately made available in FY 93. FRA appears to have made an assumption that the designated 90 mph corridors (plus the Empire Corridor) are, effectively, the eligible recipients for Section 1036. Section 1036(c) is intended as a program to work with the private sector on developing new technologies for high speed application.

New technologies are not necessary for operating speeds of 90 mph, or, for that matter, 110 mph (the current top speed on the Empire Corridor). Speeds in excess of 110 mph exist only on the electrified Northeast Corridor, which operates almost as a dedicated right-of-way. New York's proposal would enable the development of technologies which would allow 125 mph operations in non-electrified territory and in mixed (freight and passenger) traffic.

QUESTION: How much money has New York State spent on the Empire Corridor?

ANSWER: From the mid-1970s to the present, the New York State Department of Transportation has spent approximately $160 million on Amtrak improvements, which include the West Side Connector/Penn Station project, station rehabilitations and construction projects, and high speed track and signal improvements.

QUESTION: How many at-grade and grade separation crossings are on the Empire Corridor?

ANSWER: There are approximately 149 public at-grade crossings on the Empire Corridor. In addition, there are some 143 private crossings and approximately 165 bridges (highway over railroad). However, in the proposed high speed demonstration segment between Schenectady and Poughkeepsie there are only 12 grade crossings.

QUESTION: How many trains operate daily on the Empire Corridor?

ANSWER: While there is some fluctuation depending on the particular day, on average there are nine round trip trains per day between Schenectady/Albany and New York City. Of these, one continues on to Montreal via the D & H railroad, one continues on to Syracuse, three go to Buffalo (one of which continues to Chicago), and one goes to Toronto via Niagara Falls.

QUESTION: How many daily passengers are there on the Empire Corridor?

ANSWER: The total annual ridership on the Empire Corridor across New York State was between 1.4 and 1.5 million passengers in 1992, for an average daily total of about 4,300 riders. Empire Corridor service operates between Penn Station in New York City and Niagara Falls, and includes stops at Yonkers, New Rochelle, Croton-Harmon, Poughkeepsie, Rhinecliff, Hudson, Albany-Rensselaer, Schenectady, Amsterdam, Utica, Rome, Syracuse, Rochester, Buffalo-Depew, and Buffalo-Exchange Street.

QUESTION: Were other rail lines in New York considered for the high speed technology demonstration proposal?

ANSWER: Yes. The New York State Department of Transportation looked at the many aspects of all the rail corridors in New York State that are currently used by Amtrak. The Schenectady to Poughkeepsie portion of the Empire Corridor was chosen based on -- among other things -- past high speed improvements and existing operational conditions (i.e., 60 miles of 90 mph or greater maximum speeds).

QUESTION: How much money does New York need to permanently implement high speed rail across the State?

ANSWER: The answer to this question depends on how much of our existing rail passenger network is to be upgraded to high speed. NYSDOT estimates that to upgrade the New York City to Schenectady portion to permanently implement 125 mph operation would cost some $250 million. Upgrading the Schenectady to Buffalo route to permanently implement 125 mph operation would cost approximately $600 million. (Service between Schenectady and Montreal is provided via the Adirondack Corridor, which is not addressed in these estimates). To achieve a higher maximum speed, such as 150 mph, or to address many of the speed restrictions that exist on portions of these routes to increase the average speed, would considerably increase these estimates.

Again, Mr. Chairman, I appreciate your interest and ask for your support.

With best regards,

Sincerely,

Stan

Stan Lundine
Lieutenant Governor

SL:cw

enc.

US Department
of Transportation

Federal Railroad
Administration

Federal Transit
Administration

[illegible]
[illegible]

Federal Highway
Administration

OCT 30 1992

Mr. Henry L. Peyrebrune
Assistant Commissioner
Office of Transportation Policy
  and Public Transportation
New York Department of Transportation
1220 Washington Avenue
Albany, NY 12232

Dear Mr. Peyrebrune:

We are pleased to advise you that we are allocating $1 million of Federal Transit Administration discretionary funds for the elimination of highway-rail grade crossing hazards on the portion of the New York State Empire Corridor between New York City and Hoffmans where there is commuter service.

The improvements for high speed rail service in this corridor are being funded in conjunction with new corridors being selected for high speed rail service pursuant to Section 1010 of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). Once the new corridors (see enclosure) are fully developed by the States and localities for high speed service (100-150 mph), they will join your Empire Corridor which has a maximum speed of 110 mph and the 125 mph Northeast Corridor as the Nation's high speed rail passenger service network continues to be established.

We also noted in your Section 1010 application the State's strong interest in the Technology Demonstration Program established by Section 1036 of ISTEA for assistance to demonstrate 125 mph service in the corridor. We will certainly consider an application from New York under Section 1036 once the guidelines are issued in the near future.

We look forward to working with New York, the other Northeast Corridor States and the Section 1010 recipients in the continued development of corridor high speed rail service and in the continued advancement of corridor highway-rail grade crossing safety.

[illegible]

With specific regard to the $1 million being allocated today, James McQueen, the Federal Railroad Administration's Associate Administrator for Railroad Development will be in contact very soon regarding implementation of projects to be funded with these funds. His telephone number is (202) 366-9660.

Sincerely,

Gil Carmichael
Gilbert E. Carmichael
Administrator, Federal
Railroad Administration

Thomas D. Larson
Administrator, Federal
Highway Administration

Brian W. Clymer
Brian W. Clymer
Administrator, Federal
Transit Administration

Enclosure

MAR-29-1993 15:14 FROM POLICY DEVELOPMENT TO 94732444 P.06
JAN-2[illegible]-1993 15:10 FROM [illegible] TO [illegible]

National Railroad Passenger Corporation, 60 Massachusetts Avenue, N.E., Washington, D.C. 20002 Telephone (202) 906-3000

Amtrak

January 26, 1993

Honorable Franklin E. White
Commissioner
Department of Transportation
1220 Washington Avenue
Albany, NY 12232

Dear Commissioner White:

I am writing in reference to your January 15 letter regarding the state's proposal to submit an "expression of interest" to the Federal Railroad Administration for funding under Section 1036(c) of the 1991 Intermodal Surface Transportation Efficiency Act intended for technology demonstrations of high-speed transportation.

I certainly agree that an opportunity exists for New York State and Amtrak to demonstrate high-speed rail in non-electrified territory. I understand that our staffs have been in contact and are working towards a proposal that is acceptable to both parties.

Thank you for your interest and support for improving Amtrak's Empire Corridor route. Amtrak looks forward to being an active partner in this exciting new initiative.

Sincerely,

Graham Claytor

W. Graham Claytor, Jr.
President

APR-29-1993 15:12 FRI POLICY DEVELOPMENT TO 94732444 P.04

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Rita

THE NEW YORK STATE
CONGRESSIONAL DELEGATION

February 25, 1993

The Honorable Federico F. Pena
United States Secretary of Transportation
400 Seventh Street, S.W.
Washington, DC 20590

Dear Mr. Secretary:

We are pleased that the State of New York recently submitted to the Federal Railroad Administration an "Expression of Interest" for the High Speed Ground Transportation Technology Demonstration Program authorized in section 1036(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). We are writing to express the support of the New York State Congressional Delegation for our State's comprehensive and innovative proposal, which we believe holds the potential to significantly advance intercity passenger rail service.

We note with pride that New York's Empire Corridor was recently recognized as an existing high speed rail corridor. Trains there currently run at speeds of 110 miles per hour, and, with the modifications outlined in our State's proposal, speeds of at least 125 miles per hour could be achieved in a relatively short time. This would allow for actual, in-service testing of new high speed technologies in an area of nonelectrified track.

Since the Empire Corridor may be the only corridor in the country that can make this claim, New York's proposal may also be the only proposal eligible for funding under section 1036(c) of ISTEA. As you are undoubtably aware, that section defines qualified high speed service as forms of rail transportation that can be:

"(1) reasonably expected to reach sustained speeds of more than 125 mph; and,
(2) made available to members of the general public as passengers."

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Daniel P. Moynihan, *Co-chairman*
Alfonse M. D'Amato, *Co-chairman*
Gary Ackerman, *Secretary*
Amo Houghton, *Assistant Secretary*
Charles E. Schumer, *Treasurer*
Jack Quinn, *Assistant Treasurer*

Telephone Contact: Rep. Rangel's Office
(202) 225-4365 • Fax (202) 225-[illegible]

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Sen. Daniel P. Moynihan (D)
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Rep. Sherwood L. Boehlert (R) • 23 CD
Rep. Eliot L. Engel (D) • 17 CD
Rep. Hamilton Fish, Jr. (R) • 19 CD
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Not only does New York's proposal fit these criteria, but it also represents a unique opportunity to develop a national demonstration program for high speed rail service. Such an initiative would allow other nonelectrified corridors to observe and refine the new locomotive technology that New York seeks to employ, with areas of possible improvement being those of track design and signaling, communication, and control systems.

It is worth pointing out that Amtrak, as operator of New York's intercity rail system, supports this demonstration proposal for the heavily traveled Empire Corridor, where over thirty-seven percent of Amtrak's fiscal year 1992 passenger boardings and deboardings took place. Thus, we view the project as an excellent opportunity for Amtrak, the FRA, and the State of New York to work together to produce an in-revenue demonstration of 125-mile-per-hour service.

Accordingly, we urge the favorable consideration of New York's proposal.

Sincerely,

Charles Rangel
Chairman

Hamilton Fish Jr
Hamilton Fish
Vice Chairman

Daniel P. Moynihan
Co-chairman

Alfonse D'Amato
Alfonse D'Amato
Co-chairman

Louise M. Slaughter
Louise M. Slaughter
Member

cc: Mr. S. Mark Lindsey
Acting Administrator
Federal Railroad Administration
400 Seventh Street, S.W.
Washington, DC 20590

Mr. James T. McQueen
Associate Administrator for
Railroad Development
Federal Railroad Administration
400 Seventh Street, S.W.
Washington, DC 20590

MAR-25-1993 15:11 FROM POLICY DEVELOPMENT TO 94732444 P.02

THE NEW YORK STATE
CONGRESSIONAL DELEGATION

February 25, 1993

Mr. W. Graham Claytor, Jr.
President and Chairman of the Board
National Railroad Passenger Corporation
60 Massachusetts Avenue, N.E.
Washington, DC 20002

Dear Mr. Claytor:

We want to express our appreciation to Amtrak for supporting New York State's "Expression of Interest" for a section 1036(c) of ISTEA high speed technology demonstration. New York is convinced that its proposal is the only practical, near-term opportunity for demonstrating 125-mile-per-hour rail passenger service in nonelectrified territory.

As you know, however, our State is looking at the "Expression of Interest" proposal as merely the first stage in a multistage program to upgrade equipment and service on the Empire Corridor. As noted in the proposal, a commitment on the part of Amtrak to advance locomotive technology to the state-of-the-art level in the immediate future is essential to this endeavor.

New York State believes that Amtrak's support and enthusiasm regarding its proposal imply that the Corporation recognizes the benefits of fully implementing the phased approach that has been proffered. Accordingly, it is timely to reiterate that the second phase of the Empire Corridor service upgrade proposal requires that an advanced, dual-powered locomotive be constructed. Such a locomotive would be necessary to test the various technologies associated with that phase and to provide New York with a basis to seek and achieve future Section 1036(c) funds. Accordingly, we hope that Amtrak will continue its current solicitation process for dual-powered equipment.

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Gary Ackerman, *Secretary*
Amo Houghton, *Assistant Secretary*
Charles E. Schumer, *Treasurer*
Jack Quinn, *Assistant Treasurer*

Telephone Contact: Rep. Rangel's Office
(202) 225-4365 • Fax (202) 225-0816

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We look forward to working with Amtrak in progressing a high speed program that can serve to complement the completion of the Northeast Corridor electrification project, which we view as a separate, independent project that should not be affected by Amtrak's exploration of new technologies on the Empire Corridor.

Thank you for your cooperation and your continuing interest in our State.

Sincerely,

Hamilton Fish

Charles Rangel
Chairman

Hamilton Fish
Vice Chairman

Alfonse D'Amato

Daniel P. Moynihan
Co-chairman

Alfonse M. D'Amato
Co-chairman

Louise M. Slaughter

Louise M. Slaughter
Member

WEDNESDAY, MARCH 24, 1993.

MIAMI INTERNATIONAL AIRPORT; METRO DADE COUNTY TRANSIT

WITNESSES

HON. CARRIE MEEK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

HON. WILLIAM LEHMAN, A FORMER REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

COMMISSIONER ALEXANDER PENELAS, CHAIRMAN, COMMUNITY AFFAIRS COMMITTEE AND MEMBER, TRANSPORTATION COMMITTEE, BOARD OF COUNTY COMMISSIONERS, METRO-DADE COUNTY, FL

ED COLBY, DIRECTOR, METRO-DADE TRANSIT AGENCY

GARY DELLAPA, ACTING DIRECTOR, METRO-DADE COUNTY AVIATION DEPARTMENT

Mr. CARR. Our next witness will be our good friend and colleague, member of the Appropriations Committee. I am going to call on you, Ms. Meek, to make the introduction.

Ms. MEEK. Mr. Chairman, first of all, I want to thank you for allowing me the privilege to sit here with your subcommittee today because people who are very dear to my heart are here today to present a program or proposal to you.

I have with me today former Congressman Lehman, a person who talks to all of us in Dade County when we need to be talked to. I am sure you know him.

Sitting next to him is our commissioner. He is the bright young man of Dade County. He just won his race by 97 percent of the vote, Mr. Chairman. Where I come from, those numbers are high.

Sitting next to him is Gary Dellapa, who is now the manager of our airport facility, a long-time county employee.

Sitting next to him is Ed Colby, director of our transportation programs in the county.

They have a presentation to make to you, Mr. Chairman.

Mr. CARR. I would like to welcome all of you, but in particular, I would like to say what a delight it is to have Chairman Lehman back. He has brought back the orange juice. We have missed the orange juice since you have been gone.

Mr. LEHMAN. That's $19 million orange juice. [Laughter.]

Mr. CARR. I haven't figured out whether we can get Vernor's gingerale down here yet.

Mr. LEHMAN. I have it at home.

Mr. CARR. It is nice to see you again.

I welcome you all here and congratulate you on your victory. That is impressive.

Chairman Lehman, why don't you lead off?

Mr. LEHMAN. Thank you, Mr. Chairman.

First I just want to thank you for letting me be here. I have heard great things about you and Mr. Wolf and how you are moving this subcommittee along. I like the idea of having the public witnesses along with the other hearings because that way it doesn't push them all to the end when everybody is burnt out.

I am here today to just introduce Alexander Penelas, who is a rising star in our local government. In fact, he has already risen.

He is a Cuban-American, as you know. He can testify in either Spanish or English, whichever you prefer. [Laughter.]

Alex Penelas?

Mr. PENELAS. Thank you, Congressman.

Mr. Chairman and members of the committee, I am Alex Penelas. I am a member of the Board of County Commissioners in Dade County, Florida. I also have the pleasure of serving as the chairman of our local committee that oversees the airport and the seaport. I also serve as a member of our Transportation Committee. As you know, that committee oversees the Dade County Aviation Department, Miami International Airport, and all of our reliever airports.

On behalf of our entire Board of County Commissioners, I am pleased to submit the following testimony, which is basically a summary of an elaborated written testimony that I believe the members have before them. I am going to try to be very brief and perhaps keep my comments to less than 10 minutes this morning.

I would be somewhat repetitive to tell this committee the significance of Miami International Airport, the world's 10th busiest airport in total passenger traffic. In fact, we all know and recognize it as the hub of the Americas. Today we count on more than 140 air carriers who do business at Miami International Airport. But most importantly, I think, is that we are currently in the process of finalizing a master plan and capacity study, which would fine-tune all proposed facility construction. It also has as its purpose to maximize land usage and determine an accurate forecast of the airport's true capacity.

Very, very early forecasts from the study project that by the year 2005 Miami International Airport will be serving 48 million passengers a year and over 2.2 million tons of cargo. In fact, as we speak, a $2 billion expansion and modernization plan is underway at that facility to accommodate projected increases in passenger and cargo traffic. This development program, which will continue into the next century, is in fact a very important job-producing component of our Dade County economy.

Last summer, in fact, we broke ground on the first stage of a $500 million cargo facility development program, which will provide our cargo operators with state-of-the-art cargo handling facilities. In the terminal building, expansion projects are creating new passenger and airline facilities. Construction of up to four new concourses, and extensions to existing ones, will increase aircraft gates from the current 118 to over 170, a significant increase.

Another very exciting project at Miami International Airport is our new concourse A, which is currently under construction, and will create 20 new international gates when completed. This concourse project is the first phase of a recently approved development plan which will help facilitate the expansion of American Airlines, which now carries over 40 percent of Miami International's passengers.

This expansion plan calls for the construction of a mile- long linear terminal that will house 60 gates and span from the new concourse A to an extended concourse D. I should also note that the County Commission very recently approved a new 8,500-foot air carrier runway on the far northern side of the airport to provide the additional capacity required for the 678,000 aircraft operations which are projected for the year 2010.

I would also like to add that on the land side of the airport $124 million of ground transportation improvements are currently under construction or in the design phase.

I have taken the liberty to explain in detail some of our expansion plans because I think it goes without saying that our current $2 billion expansion program will stretch funding needs beyond our financing capabilities. This means that the availability of State and Federal dollars is critical to the financing of capacity enhancement products at our facilities such as the ones I described earlier.

Without a doubt, we rely heavily on airport improvement program funding as the primary source of funding for these projects. As you know, the AIP was reauthorized in 1992 for a year with many desired program improvements. We strongly believe in and would like to see a multi-year reauthorization of the AIP the preserves the program improvements enacted last year with authorized funding at levels above those currently available.

Let me also take a moment, Mr. Chairman and members of the committee, to express our concern and our support of the passenger facility charge program, specifically since we are currently viewing that as a primary source of funding for a very, very exciting multimodal transportation center project that is currently being considered on the east side of the airport. We hope that the PFC program will flourish and that attempts to limit it, specifically in the frequent flyer areas or any other ways to restrict or limit possible revenues from that source, would be opposed.

Let me turn very specifically to those items for which we are asking funding. Of course, a more elaborate and detailed list has been provided in writing. And let me note that despite the pressing capital development needs at Miami International Airport, we believe that we historically have not received our fair share of AIP discretionary funds. In fact, last year the Aviation Department gave the FAA advanced notification of its proposal to request letters of intent. This proposal is now being revised in light of the American Airlines expansion program. It is our hope that our letters of intent will receive serious consideration when they are finalized.

In the meantime, we urge again your support of our fiscal year 1994 AIP funding request. We have identified in the written testimony $103 million in projects which are scheduled to start construction in fiscal year 1994 if Federal funding is available. The AIP eligible share of these projects is estimated to be well over $76 million. The funding of these projects and other planned projects is critical to providing the additional capacity that we so desperately need at Miami International Airport. Again, we urge your strong support to secure these discretionary and entitlement funding.

Finally, I am compelled to briefly touch upon the issue of Homestead Air Force Base and the recommendations to close that base. I would personally like to thank you, Mr. Chairman. I know you have spent a lot of time in our south Florida area. You have expressed a very genuine interest in the problems that have affected south Dade and have extensively toured our area.

I don't need to tell you how important Homestead Air Force Base has been and hopefully will continue to be to our local economy. Certainly our community is very disheartened by the closure recommendation and would like to see the Homestead Air Force Base restored to its pre-hurricane condition and status. However, we also must recognize an opportunity to provide additional civil aviation capacity.

It is for that reason that we have requested specifically your support in providing funding for the latter phases of a feasibility which we have bid out and awarded in the amount of approximately $3.5 million. This, of course, would assist us in identifying the most feasible usage for that facility, specifically along the lines of joint use.

We also hope, Mr. Chairman, that we could specifically count on your support for including Homestead Air Force Base in the military airports program and providing funding from AIP discretionary and FAA facilities and equipment sources for those purposes.

Having spent a few moments on our aviation needs, let me very quickly turn my attention to our transportation concerns.

Mr. LEHMAN. I will tell you what we really want to do. I know you don't earmark AIP money, and I know you don't legislate AIP money, but perhaps you could put some report language in there urging the FAA to give full consideration to the request for the contract to expedite these projects that have already been started.

Thank you.

Mr. PENELAS. Mr. Chairman and members of the committee, as it relates to public transportation and our transportation system, I think I may be somewhat repetitive in saying that Dade County is rapidly expanding its stature as one of the primary international hubs for tourists, cargoes, and international business. I briefly spoke about the statistics earlier.

Because of the volume of visitors who have a variety of intracounty travel needs, a modern and efficient transportation system is in fact an essential part of our developing county mobility plan.

As the Dade County area continues its slow recovery from the widespread devastation of Hurricane Andrew, the need for transportation infrastructure is further extenuated at this time. Approximately one-third of our resident population, along with over 100,000 homes and small businesses were directly affected by that disaster. One of the most far-reaching impacts of the hurricane experience on our county's transportation infrastructure has been its effect on traffic congestion.

Congresswoman Meek, the others, and I all had an opportunity to briefly discuss that before coming to this hearing this morning. In fact, we noted that the greater Miami area was ranked fourth in the Nation in traffic congestion before Hurricane Andrew. Who knows where we are now?

Since the hurricane, traffic congestion has worsened significantly. The effects of dislocated residences and businesses on commuter traffic, along with the added construction traffic, have substantially contributed to the already congested conditions.

As a result of the increased congestion, the transit agency has already experienced a sizable increase in ridership. In fact, bus ridership today is up almost 20 percent over pre-Andrew levels. Rail ridership is at its highest levels ever. These statistics contribute to a current annualized system growth rate of over 12 percent and they are expected to increase.

While the impact of the hurricane has definitely strained our existing transportation infrastructure, analysis of the longer term trends and patterns suggest that the county's long-range transportation plan remains intact. What has changed, without a doubt, is the urgent need for when these projects are needed. Hurricane Andrew has, without a doubt, exacerbated and materially accelerated the need for certain components of the long range transportation plan.

It is with these objectives that Metro-Dade County specifically requests here today that the following projects and funding amounts be represented in the fiscal year 1994 Federal transportation appropriations legislation. I will talk about three of them specifically.

Number one, fully fund title III of the ISTEA of 1991. Full funding of the Federal Transit Act component of ISTEA would enable Dade County, through its section 9 and section 3 fixed guideway modernization appropriations, to finance some of the capital needs associated with its now foreshortened long-range transportation plan.

Full funding would also provide discretionary section 3 bus and fixed guideway funds to enable Dade County to accelerate development of public transit expansion projects in both categories to alleviate the critical congestion concerns that I have expressed earlier.

Number two, acquisition of 30 articulated buses and 20 small buses. Capacity needs to be expanded on several existing Metro bus routes to meet those ridership demands that I described to you earlier. Service frequency on these routes has been increased to maximum practical levels and further capacity increases can best be accomplished by higher capacity vehicles.

As you all recall, this subcommittee earmarked $15 million from its section 3 program last fiscal year for purchase of the initial 40 articulated buses. Bids are currently being advertised for that project.

Additionally, through previous demonstration projects and the post-hurricane supplemental emergency service, the Metro-Dade Transit Agency has identified an efficient and effective use of smaller—basically less than 40-foot—coaches in the Dade County area. Specifically, a $12.2 million total appropriation of section 3 bus tier funding for next fiscal year is requested to fund this project.

Finally, number three, the 27th Avenue Metro Rail extension to the Broward County line. This 9.5-mile extension of Metro Rail will provide connections from Carol City, Miami-Dade Community College, Opa Locka, and Golden Glades to the existing transit system along with service to and from Joe Robbie Stadium and Kaulda Racetrack.

The Carol City and Opa Locka connections will provide express links to the existing transit network for many of our transit dependent businesses and residents. The Miami-Dade Community College connection will provide a transit link with the main campus of the largest community college in the Nation. Miami-

Dade Community College is highly supportive and has committed to a joint development program.

When this project was initially planned, Kaulda Racetrack with its horse-racing events, and Joe Robbie Stadium with the Miami Dolphins' schedule, were both significant ridership draws, but were highly seasonal in nature. As you can imagine, we have acquired professional baseball since then and the need to expand the capacity to Joe Robbie Stadium with an additional 81 home games is self-evident.

Also included in this specific project are proposed transit intercepts with the Cridigney Parkway, the Palmetto Expressway, and the Homestead extension of the Florida Turnpike, along with parking garages providing a total of 3,000 park-and-ride spaces and other bus/rail interfaces. Each of these major highway intercepts is intended to significantly mitigate the two worst congested corridors in south Florida which are I–95 and S.R. 826.

Utilizing funds from an existing FTA grant, alternatives analysis, and draft environmental impact analysis in this corridor are expected to be completed within the upcoming fiscal year. An $18.6 million designation of Federal Transit Administration section 3 fixed guideway funds is requested at this time for advancing this project through the preliminary and final environmental impact right-of-way phases.

Let me conclude, Mr. Chairman, by thanking you for allowing us this opportunity to address some of the aviation and transit needs of Metropolitan Dade County. We specifically want to thank the chairman for his genuine interest in the time he has spent in Dade County. Certainly if we could answer any questions, we would be happy to do so.

Thank you.

[The prepared statement of Commissioner Penelas follows:]

TESTIMONY OF
METROPOLITAN DADE COUNTY, FLORIDA

HOUSE APPROPRIATIONS COMMITTEE
TRANSPORTATION AND RELATED AGENCIES SUBCOMMITTEE

WEDNESDAY, MARCH 24, 1993

Mr. Chairman and Members of the Committee,

On behalf of the Board of County Commissioners of Dade County, Florida, I am pleased to submit the following testimony in support of the Metropolitan Dade County System of Airports.

I am Alexander Penelas, Member of the Board of County Commissioners of Dade County, Florida and Chairman of the Board's Community Affairs Committee which oversees the Dade County Aviation Department, operator of Miami International Airport and five reliever airports.

Miami International Airport (MIA) is the world's tenth busiest airport in total passenger traffic. On a national scale, our airport is second busiest in terms of international passengers and cargo. The Dade County System of Airports, and particularly MIA, is one of Dade County's primary economic catalysts and continues to experience significant growth under the direction of the Metro-Dade Aviation Department. Nearly 27 million passengers and over one million tons of cargo travelled through MIA during 1992. The aviation industry has a tremendous impact on our community, as one in five of us derives our livelihood from aviation-related activities, accounting for an annual payroll of $1.4 billion. Aviation's total local economic impact amounts to over $9 billion.

Miami International Airport is the "Hub of the Americas," linking all of Latin America and the Caribbean with North America and Europe and more recently Africa. The airport offers an impressive air service network which extends to over 180 cities on four continents. Scheduled airlines now number 100 - more than any other airport in the world. An additional 42 carriers operate under charter authority. MIA is also unique in that it controls 100% of its gates - no long-term, exclusive-use leases exist for any of the airport's 118 gates, with fees being assessed on a per-use basis for the gates, concourses, and baggage systems.

In order to maintain MIA's economic viability, the Aviation Department is finalizing a Master Plan and Capacity Study to fine-tune proposed facility construction, maximize land usage, and determine an accurate forecast of the airport's true capacity. Information from this study now points toward even higher passenger and cargo figures than have been historically projected, with forecasts for 48 million passengers for the year 2005, a 20% increase over original projections, and cargo tonnage forecasts to rapidly increase to an estimated 2.2 million tons for the year 2005.

The phenomenal growth experienced at MIA has created a substantial strain on the supporting infrastructure. In the terminal area, we are presently short of gates and passenger handling facilities to handle international flights. This is occurring at a time when many of our air carriers are expanding service including Iberia Airlines of Spain, which has made MIA its Latin American hub, and American Airlines which is accelerating its planned growth. Projections for this summer reflect peak days of over 28,000 arriving international passengers through our Federal Inspection Facilities.

Ground access to the airport is made difficult by present levels of traffic, both on airport roads and surrounding off-airport roadways. Our cargo facilities are insufficient to meet demand. One half million square feet of additional cargo facilities are presently needed to accommodate the expansion needs of our current tenants. The roadway system in the cargo areas also must be upgraded to meet the demands of vehicular traffic which is a vital component of cargo operations.

With the number of aircraft operations increasing by 35% during the last ten years, the airfield is rapidly approaching capacity as well. Delays have begun to exceed acceptable levels during daily peak-hour periods.

Solving Miami International Airport's capacity limitations is a major challenge. The airport is completely surrounded by urban development, which limits further expansion outside present boundaries. It is, therefore, necessary to optimize the use of existing space in the planing process to accommodate future growth.

A $2 billion expansion and modernization plan is underway to accommodate projected increases in passenger and cargo traffic. This development program, which will continue into the next century, will provide much needed job opportunities for our community.

Last summer, ground was broken for the first phase of a $500 million Cargo Facility Development Program, which will bring on-line state-of-the-art cargo handling facilities. This first phase has resulted in the awarding of $47 million worth of construction contracts in 1992, just part of over $100 million worth of construction contracts which were awarded that year. Construction of four additional cargo buildings, which will provide a total of 680,000 square feet of cargo space having an estimated construction value of $66.4 million, will commence later this year.

In the Terminal Building, expansion projects are creating new passenger and airline facilities. Construction of up to four new concourses and extensions to existing concourses will increase aircraft gates to nearly 170 from the present 118 gates.

Phase I of a new Concourse "A" and the related apron and utilities project, is under construction, and Phase II will commence construction in the summer. This new concourse will provide 20 new international gates and is the first phase of a recently-approved development plan to facilitate American Airlines' expansion at MIA. American has grown over the last three years to be the airport's largest air carrier, carrying over 40% of MIA's passengers. The expansion plan calls for the construction of a mile-long linear terminal complex with 60 gates spanning from the new Concourse "A" to an extended Concourse "D," which American currently occupies.

The balance of the airport terminal is programmed for general upgrading of interior spaces, life safety systems, and improvements required by the American with Disabilities Act.

On the land-side of the airport, $124 million of ground transportation improvements are under construction or in the design phase. New ramps, providing better access to the upper drive and future Concourse "A," were recently completed. Additional roadway improvements for the passenger and cargo areas and expanded parking facilities are also planned or currently being constructed.

The County Commission has recently approved a new 8,500 ft. air-carrier runway on the north side of the airport to provide the additional capacity required for the 678,000 aircraft operations projected for the year 2010.

In summary, the level of construction throughout the county's system of airports has reached an all-time high of $359 million worth of executed contracts. Additionally, $618 million worth of future projects are currently in the design phase.

The County maintains its commitment to giving opportunities to minority contractors. Minority participation in the Miscellaneous Construction Contract - an $18.5 million, two-year contract which provides a vehicle for construction of small and emergency projects - is currently estimated at 76%.

It is also important to note that our construction program has remained relatively on schedule despite the devastation caused last summer by the nation's largest natural disaster, Hurricane Andrew. Additionally, the diligent efforts of Aviation

Department and Federal Aviation Administration staff allowed for the reopening of MIA for limited service just 42 hours after its closing to brace for the storm. Work crews fixed security fencing, made many gates operational, restored power to the terminal, and fixed navigational aids. The airport was prepared for full airline schedules on September 2, 1992, just eight days after the storm.

Unfortunately, our reliever airports did not fare as well. Kendall-Tamiami Executive Airport and Homestead General Aviation Airport were totally devastated, with many hangars being totally destroyed and with major damage to most other airport facilities. The runways were quickly cleared of debris and prepared to accept the armada of military and relief flights that began to arrive in our community. However, the rebuilding of the airport facilities which has already commenced, will be a slow process.

The $2 billion expansion program at Miami International Airport will stretch funding needs beyond its capabilities. Crucial to our system of airports' continued viability is the availability of State and Federal funding to finance capacity enhancement projects at these facilities.

As you know, the Airport Improvement Program (AIP) is the primary source of federal funding for airports. The AIP was reauthorized in 1992 for one additional year and will expire at the end of FY 1993. With the support of Congress, airports were successful in obtaining many desired program improvements in the 1992 AIP reauthorization. This year, we would like to see a multi-year reauthorization of the AIP that preserves the program improvements enacted in 1992.

Additionally, we would like to see the AIP authorized at a level above the $2.05 billion authorized for FY 1993, and AIP appropriations at a level above the $1.8 billion appropriated in FY 1993.

We are also very concerned over the Passenger Facility Charge (PFC) program. This Subcommittee's FY 1993 DOT appropriations bill approved language, subsequently enacted into law, which banned the collection of PFC charges from passengers travelling on frequent flyer awards. The FAA has ruled that the provision did not amend the PFC statute and only applies for FY 1993.

Metropolitan Dade County strongly opposes that provision and future provisions which diminish PFC revenues. Attempts by certain airlines to influence Congress and the new Administration to impose a permanent ban on frequent flyer PFCs, and further, to restrict, limit, or possibly prohibit collection from connecting passengers, must be strongly opposed.

Frequent flyers could account for approximately 10% of MIA's traffic, and connecting passengers now constitute approximately 35% of MIA's traffic. These percentages will likely grow in future years. Later in our testimony, you will hear about MIA's plans for a Multi-Modal Transportation Center to be financed by PFCs. This project is extremely important to our community.

Restricting the collection of PFCs from certain classes of passengers would seriously erode viability of the PFC program and cause a substantial loss of PFC revenues which airports desperately need to finance projects and stimulate economic growth for their communities.

We urge this Subcommittee and Congress to reject any changes that adversely affect the PFC program or reduce airport PFC revenues. It is particularly important that the PFC program move ahead without change or disruption to ensure it is the stable, reliable and independent airport funding source that Congress intended. Any changes diminishing PFC revenues will make it extremely difficult to leverage PFCs through bonding to raise additional private capital for airport investment.

Turning our attention to Miami International Airport's specific funding requests, we must first point out that despite the pressing capital development needs of MIA, it has not historically received its fair share of AIP discretionary dollars. Miami plays a significant role in the nation's and this hemisphere's air transportation network, and the urgency with which we must respond to the demands of ever-growing passenger and cargo traffic is real. It is frustrating to note that other airports with less pressing needs have already received long-term funding commitments from the FAA:

-a new airport is being built in Denver despite its downturn in traffic;

-New Orleans received an $87 million commitment from FAA, a large allocation for an airport than handles only 7 million passengers per year, and is number 73 in world ranking.

Mr. Chairman and members, commitment from this Subcommittee and the FAA to support a long-term funding commitment is critical to base future programming of our projects and corresponding bond commitments. Though we are not yet in a position to describe in full detail our long-term funding needs, we need your assistance in obtaining this commitment.

On April 13, 1992, the Aviation Department gave the FAA advance notification of its proposal to request Letters of Intent (LOI) as authorized by Section 513 (d) of the Airport and Airway Improvement Act of 1982 as amended by the Airport and Airway Safety and Capacity Expansion Act of 1987. This proposal is now being revised in light of the recently-approved development concept to provide expanded facilities for American Airlines. It is our hope that our LOI proposal will receive serious consideration since federal funding is critically needed for the success of MIA's $2 billion development program.

While our LOI proposal is being finalized, we urge your support of our FY 1994 AIP funding request. The following projects are scheduled to start construction in FY 1994, if federal funding is available and we urge your support in securing FY 1993 discretionary and entitlement funding for these projects:

Project	Estimated AIP Eligible Amount	Required AIP Funding
Concourse "H" Apron	$ 4,953,000	$ 3,715,000
Cargo Bldg. 2226 Apron, Phase I	4,800,000	3,600,000
Cargo Bldg. 2226 Apron, Phase 2	4,700,000	3,500,000
Cargo Bldg. 2207 Apron	2,000,000	1,500,000

Cargo Bldg. N805 Apron	3,500,000	2,625,000
Concourse "A" Apron, Phase 2	7,500,000	5,600,000
Northside Cargo Facility Apron	3,500,000	2,625,000
Ground Transportation Improvements Package C-2, Upper/Lower Drive Widening & Aux. Curbside Lanes	20,000,000	15,000,000
Concourse "A" Expansion, Phase 2	14,000,000	10,500,000
Terminal Ext. North, Phase 3	24,000,000	18,000,000
Radar Relocation, Remote Transmitter Relocation, and Relocation of Other NAVAID and Communication Cables	3,000,000	2,250,000
Runway 30 Glide Slope/ALS	1,200,000	900,000
Midfield Area Development, Phase 1 Taxiways	5,000,000	3,500,000
TOTAL	$103,153,000	$76,815,000

Funding of these projects and other planned projects is critical to providing additional capacity at the nation's second busiest international gateway. We urge your strong support.

Another issue that we must bring to your attention is the impact of the recommended closure of Homestead Air Force Base (HAFB).

Prior to Hurricane Andrew, Homestead AFB was a thriving military complex, base for the 31st Tactical Wing of the Air Force, and home for reserve and guard units as well as a host of military support facilities and governmental agencies, including U.S. Customs, Drug Enforcement Agencies and others. About 6,000 military and 1,500 civilian personnel were employed at the Air Base, which also served as host base for 22,000 retired military members and over 7,500 military reserve, air national guard, and

Coast Guard personnel. Annual aircraft operations were at a level of 130,000 movements. The base had an economic impact of $500 million annually on the South Florida economy and directly represented about one-third of the economic activity of South Dade County.

Within eight hours, Hurricane Andrew wreaked havoc on the Base and South Dade County. Most hangars, buildings, and the control tower were heavily damaged or destroyed, and airside infrastructure was impaired. Primary military units on he base had to be remobilized temporarily to other sites.

On March 12, 1993, Secretary of Defense Les Aspin forwarded his report recommending certain base closures to the Base Closure and Realignment Commission (BRAC) with Homestead Air Force Base being recommended for closure. While we were very disheartened by the recommendation and would like to see HAFB restored to pre-Hurricane condition and status, we also see an opportunity to provide additional civil aviation capacity in South Florida.

Weeks before the closure recommendation had been announced, the Dade County Board of County Commissioners awarded a $4 million contract to study the feasibility of civil aviation uses for Homestead Air Force Base. The initial phase of the study which includes market analysis of aviation uses is being fast-tracked to correspond with the BRAC process.

Given the great difficulty in today's environment of selecting sites for new airports, it is imperative that this aviation facility be preserved for aviation uses, which hopefully may include joint military/civilian uses. We will be working closely with the Department of Defense' Office of Economic Adjustment and the White House task force coordinating the hurricane relief effort to develop a base reuse plan which will restore the lost jobs and preserve this important aviation facility.

Your support in providing funding for the later phases of the HAFB feasibility study in the amount of approximately $3.5 million would be very welcomed and would free up funds for other Dade County System of Airports projects. Additionally, once a re-use plan for HAFB is finalized, we hope that we can count on your support for including Homestead Air Force Base in the Military Airports Program and for providing funding from AIP discretionary and FAA Facilities and Equipment sources.

Mr. Chairman and Members, we would also like to discuss with you another issue, that although not in the immediate jurisdiction of your subcommittee, should interest you as promoters of an efficient transportation system - the need for increased appropriations from user fees for federal inspection staffing.

Foreign tourism contributes a positive balance of payment for the nation of more than $1 billion per month. Inconveniencing, delaying, and frustrating arriving international passengers would have a negative impact on tourism and international trade and commerce, particularly to a city like Miami which is now so dependent upon international tourism and international trade.

Adequate staffing of federal inspection services is essential to expedite air passenger processing. Five federal agencies are involved in the facilitation process, the Immigration and

Naturalization Service (INS), the U.S. Customs Service, the USDA Animal and Plant Health Inspection Service (APHIS), the Fish and Wildlife Administration and the U.S. Food and Drug Administration. The first three agencies, INS, Customs, and APHIS collect user fees to fund their inspection programs at ports of entry. The funds being collected are sufficient to pay for the federal inspection programs at the nation's airports. However, in the perennial quest to balance the federal budget, these funds are not appropriated at adequate levels and instead go unspent to mask the federal deficit.

We believe that this is a situation which should not be tolerated. It betrays the trust of the American people when user fees are collected to pay for a service and, instead of spending the collections for the purpose intended, the funds are held hostage to the federal deficit.

Miami International Airport has been a leader in the industry working with the International Civil Aviation Association to establish a standard of 45 minutes for passengers clearing through the federal inspection process. We take facilitation very seriously, as we know that the success of our airport and the economy of our community depends largely on moving passengers and cargo through our airport as quickly and efficiently as possible.

Over the years, MIA has not received its fair share of INS, Customs, and APHIS inspectors. JFK airport in New York has twice as many INS inspectors as MIA, and yet, Miami now processes more foreign-citizen arrivals than JFK. We recently constructed a

20-booth INS inspection facility at MIA's Satellite Terminal to relieve our central FIS facility of severe over-crowding. These new booths will not be staffed unless new INS inspector positions are approved for MIA.

The U.S. Customs Service, though more successful than INS and APHIS, in increasing staffing at MIA, is still desperately short of inspectors, given the new international gates MIA will soon be bringing on line as well as the new cargo facilities.

Florida airports generate approximately $23 million in APHIS user fee revenues, yet the total APHIS budget for all Florida airports is under $11 million. This is startling in light of the fact that Florida is a high-risk state for the introduction of exotic pests and diseases due to its subtropical climate which allows such to establish themselves, if not detected at the port of entry. APHIS at MIA requests allocation of additional inspector positions, and consistently is either denied additional positions or additional positions are approved only to be followed by the imposition of staff-year ceilings halting the hiring of new inspectors. APHIS estimates that the perishables traffic at MIA will increase by 40% this coming year. Combined with the overall growth in passenger volume and cargo tonnage, if additional staffing is not authorized, our facilitation system at MIA will totally break-down with disastrous consequences to our local economy.

We urge this subcommittee to support the full utilization of federal inspection staffing user fees and to assure that MIA receives its fair-share of federal inspectors. This will assure that MIA can continue to serve the large international business community in Miami who trade with the Caribbean/Latin America region, and who depend upon growing volumes of European, Caribbean and Latin American business and tourist visitors to our area.

In closing, I would like to speak briefly on the Multi-Modal Transportation Center Project and the connection of the airport by rail to the Port of Miami and the downtown business district.

With congestion on regional roadways around the airport and with on-airport roadways increasing, we were hard-pressed to find a more efficient way of moving passengers in and around the airport, and between the airport and the seaport. We believe this project is that solution.

Given the compact nature of our terminal area, we cannot align a direct, "through" regional rail transit route to the terminal. Instead we plan to construct a "people-mover" type transit loop around the terminal "horseshoe" to link with a Multi-Modal Terminal to be constructed east of the airport. MIA's rental car and hotel courtesy vans, which currently clog terminal roadways, would be shifted to the Multi-Modal Terminal. This plan has the added advantage of improving the air quality on our covered, lower terminal drive - long a concern of airport and County officials. This shift will also allow our airport roadways to continue to operate at acceptable levels of service for the next 10-20 years. The employee parking areas would also be connected to the "Airport Loop" allowing us to eliminate the employee shuttle buses off the airport roadways.

This Multi-Modal Terminal would also be linked to Tri-County Commuter Rail, to Amtrack, and to Metrorail.

The plan also calls for a direct rail link between the airport and the Port of Miami. The light-rail type vehicles would be capable of utilizing the "Airport Loop" - facilitating passenger boarding and disembarking. The Port of Miami is the world's busiest cruise port with over 3.5 million passengers annually. Eighty percent of cruise passengers originate and terminate travel through MIA. At the present time, 16,000 passengers per weekend day move between the airport and the seaport by 40-passenger buses. This equates to over 200 trips by buses four days a week. This activity leads to the need for large bus staging and loading/unloading areas and is a logistical nightmare.

All told - the Multi-Modal Center is estimated to remove 15,000 to 25,000 vehicles per day from airport roadways.

We have notified the FAA of our intention to impose a Passenger Facility Charge (PFC) for the Airport Terminal transit loop and the portions of the Multi-Modal Transportation Center applicable to the Airport operation. We anticipate this PFC will provide between $100 million and $250 million for this project, which will be committed as the local share of the $1.4 billion transit expansion program.

We believe that is an exciting, unique, and innovative project that could serve as a model for intermodalism for the nation. Our proposed funding methodology is equally innovative and in keeping with the new spirit of intermodalism which relies on cooperation and interaction between the DOT agencies.

I strongly urge your support for a long-term funding commitment for this important project.

Mr. Chairman and Members, thank you for the opportunity to address you today on many important issues facing Dade County. I hope that you will give serious consideration to the funding proposals I have presented today, and to the pressing needs of the nation's airports and, particularly, Miami International Airport. I know that we can count on your leadership and support as we work together to upgrade the aviation infrastructure throughout the nation.

EXTENDED TESTIMONY

OF

COMMISSIONER ALEX PENELAS

CHAIRMAN, COMMUNITY AFFAIRS COMMITTEE
AND
MEMBER, TRANSPORTATION COMMITTEE

BOARD OF COUNTY COMMISSIONERS

METRO-DADE COUNTY, FLORIDA

BEFORE THE

TRANSPORTATION AND RELATED AGENCIES SUBCOMMITTEE

OF

THE HOUSE COMMITTEE ON APPROPRIATIONS

PUBLIC TRANSIT ISSUES

WEDNESDAY, MARCH 24, 1993

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE,

ON BEHALF OF THE COUNTY COMMISSION OF DADE COUNTY, FLORIDA, AND THE METROPOLITAN PLANNING ORGANIZATION OF THE MIAMI URBANIZED AREA, WE RESPECTFULLY SUBMIT THE FOLLOWING TESTIMONY ON THE TRANSPORTATION INTERESTS BENEFITING THE CITIZENS OF AND VISITORS TO OUR COMMUNITY.

DADE COUNTY IS RAPIDLY EXPANDING ITS STATURE AS NOT ONLY ONE OF THE LARGE METROPOLITAN AREAS IN THE NATION WITH A POPULATION OF NEARLY TWO MILLION, BUT ALSO AS ONE OF THE PRIMARY INTERNATIONAL HUBS FOR TOURISTS, CARGO AND INTERNATIONAL BUSINESS. BECAUSE OF THE VOLUME OF VISITORS WHO HAVE A VARIETY OF INTRA-COUNTY TRAVEL NEEDS FOR GETTING TO AND FROM AIRPORTS, THE SEAPORT AND WIDELY DISPERSED HOTEL AND BUSINESS CENTERS OR TOURIST ATTRACTIONS, A MODERN AND EFFICIENT TRANSPORTATION SYSTEM IS AN ESSENTIAL PART OF THE DEVELOPING COUNTY MOBILITY PLAN.

IN ADDITION TO DADE COUNTY'S LARGE VISITOR VOLUME, BECAUSE OF ITS CLIMATE, GEOGRAPHY AND ECONOMIC CONDITIONS, THE COMMUNITY HAS LARGE CONTINGENTS OF ELDERLY, IMMIGRANT AND ECONOMICALLY DISADVANTAGED RESIDENTS. FOR THESE GROWING TRANSIT-DEPENDENT GROUPS, EXPANDED AND EFFICIENT PUBLIC TRANSPORTATION PLAYS AN ESSENTIAL ROLE IN ENHANCING THEIR QUALITY OF LIFE.

ALREADY, THE METRO-DADE TRANSIT AGENCY (MDTA), IN TERMS OF ITS ANNUAL OPERATING BUDGET, IS THE FOURTEENTH LARGEST TRANSIT AGENCY

IN THE NATION. PROVIDING NEARLY 85 MILLION PUBLIC TRANSIT TRIPS ANNUALLY IN AN UNIQUE FOUR-MODE OPERATION, MDTA IS CURRENTLY EXPERIENCING AN ANNUALIZED SYSTEM GROWTH RATE IN EXCESS OF 12%.

TO FURTHER ACCENTUATE THE LOCAL NEED FOR ENHANCEMENT OF THE TRANSPORTATION-RELATED INFRASTRUCTURE COMPONENT, THE DADE COUNTY AREA CONTINUES ITS SLOW RECOVERY FROM THE WIDE-SPREAD DEVASTATION WREAKED BY HURRICANE ANDREW LAST SUMMER. THIS RECOVERY EFFORT WILL BE OF PARAMOUNT CONCERN TO MANY OF OUR CITIZENS FOR A LONG TIME TO COME. APPROXIMATELY ONE-THIRD OF OUR RESIDENT POPULATION ALONG WITH OVER 100,000 HOMES AND SMALL BUSINESSES WERE DIRECTLY AFFECTED.

THE METRO-DADE TRANSIT AGENCY HAD ITS BUS SERVICE AND SOME ESSENTIAL PARATRANSIT OPERATIONS PARTIALLY RESTORED WITHIN DAYS AFTER THE AUGUST 24 CATASTROPHE. RAIL SERVICE WAS FULLY RESTORED ON AUGUST 31, BUS SERVICE FULLY RESTORED BY SEPTEMBER 2 AND PARATRANSIT SERVICE FULLY RESTORED BY SEPTEMBER 3.

ADDITIONALLY, WITH FINANCIAL ASSISTANCE FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA), SUPPLEMENTAL EMERGENCY TRANSIT SERVICE IN THE MOST SERIOUSLY AFFECTED AREAS WAS INITIATED ON SEPTEMBER 6. THIS SUPPLEMENTAL EMERGENCY SERVICE INCLUDED EXPANDED SERVICE ON EXISTING ROUTES AND 12 NEW SPECIALLY DESIGNED ROUTES SERVING TEMPORARY FOOD AND SHELTER SITES, DISLOCATED BUSINESSES, MEDICAL AND OTHER INSTITUTIONAL FACILITIES. RIDERSHIP FOR THE FIRST THREE MONTHS OF THIS

SUPPLEMENTAL SERVICE EXCEEDED 1.5 MILLION. THIS LEVEL OF UTILIZATION IS EXPECTED TO CONTINUE THROUGH THE ONE-YEAR AUTHORIZED LIFE OF THIS EXTRAORDINARY SERVICE.

ONE OF THE FAR-REACHING IMPACTS OF THE HURRICANE EXPERIENCE ON THE TRANSPORTATION INFRASTRUCTURE OF DADE COUNTY IS ITS EFFECT ON TRAFFIC CONGESTION. THE GREATER MIAMI AREA WAS RANKED FOURTH IN THE NATION IN TRAFFIC CONGESTION BEFORE HURRICANE ANDREW! SINCE THE HURRICANE, TRAFFIC CONGESTION HAS WORSENED SIGNIFICANTLY.

THE EFFECTS OF DISLOCATED RESIDENCES AND BUSINESSES ON COMMUTER TRAFFIC ALONG WITH THE ADDED TRAFFIC VOLUME ASSOCIATED WITH CONSTRUCTION-RELATED ACTIVITIES - THE MOVEMENT OF CONSTRUCTION LABOR, DELIVERY OF MATERIALS TO SUPPLIERS AND JOB SITES, REMOVAL OF DEBRIS, AND THE MOVEMENT TO AND BETWEEN JOB SITES OF CONSTRUCTION EQUIPMENT - HAVE SUBSTANTIALLY CONTRIBUTED TO THE ALREADY CONGESTED CONDITIONS.

AS A RESULT OF THE INCREASED TRAFFIC CONGESTION, THE PUBLIC TRANSIT FACILITIES HAVE ALREADY EXPERIENCED A SIZABLE INCREASE IN PATRONAGE. BUS RIDERSHIP IS UP ALMOST 20% OVER PRE-ANDREW LEVELS AND RAIL RIDERSHIP IS AT ITS HIGHEST LEVELS EVER, WITH MOST OF THE INCREASE FILLING IN THE EXISTING CAPACITY ON THE NORTH SEGMENT OF THE LINE.

WHILE THE IMPACT OF THE HURRICANE HAS DEFINITELY TAXED OUR EXISTING TRANSPORTATION INFRASTRUCTURE, ANALYSIS OF THE LONGER

TERM TRENDS AND PATTERNS SUGGEST THAT THE COUNTY'S LONG-RANGE TRANSPORTATION PLAN REMAINS INTACT WITH REFERENCE TO ITS SET OF COMPONENT PROJECTS. WHAT HAS CHANGED IS THE URGENCY OF WHICH THESE PROJECTS ARE NEEDED. HURRICANE ANDREW HAS EXACERBATED AND MATERIALLY ACCELERATED THE NEED FOR FULFILLING THE OBJECTIVES OF THE LONG-RANGE TRANSPORTATION PLAN.

TO THESE ENDS AND IN CONCERT WITH ITS ADOPTED LONG-RANGE TRANSPORTATION PLAN, METRO-DADE COUNTY REQUESTS THAT THE FOLLOWING LOCALLY DESIRED PROJECTS AND FUNDING AMOUNTS BE REPRESENTED IN THE FISCAL YEAR 1994 FEDERAL TRANSPORTATION APPROPRIATIONS LEGISLATION:

- **FULLY FUND TITLE III OF THE INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1991 (ISTEA)**

  ISTEA ESTABLISHED AUTHORIZED FUNDING LEVELS FOR PUBLIC TRANSIT THROUGH 1997 WHICH AT LEAST PARTIALLY RESTORED THE FEDERAL EMPHASIS ON THAT ASPECT OF TRANSPORTATION PURSUANT TO STATED NATIONAL TRANSPORTATION POLICY AND PROVISIONS OF THE CLEAN AIR ACT.

  WHILE THESE AUTHORIZED LEVELS STILL FELL SIGNIFICANTLY SHORT OF FUNDING THE PUBLISHED NEEDS OF NATIONAL PUBLIC TRANSPORTATION INFRASTRUCTURE, THE 1992 AND 1993 APPROPRIATIONS FURTHER ACCENTUATED THIS INADEQUACY BY PROVIDING ONLY A PORTION OF THE AUTHORIZED AMOUNTS.

PROVIDING 1994 FUNDING AT THE FULLY AUTHORIZED ISTEA LEVELS WOULD NOT ONLY ALLOW ADDITIONAL PROGRESS TO BE MADE TOWARD ACHIEVEMENT OF CONGESTION MITIGATION, AIR QUALITY IMPROVEMENT AND ENHANCED PUBLIC MOBILITY GOALS, BUT WOULD ALSO RESTORE PUBLIC AND INDUSTRY FAITH IN THE CONGRESSIONAL IDEALS THAT ESTABLISHED THE FRAMEWORK FOR THE ISTEA PHILOSOPHIES.

FULL-FUNDING OF THE FEDERAL TRANSIT ACT COMPONENT OF ISTEA WOULD ENABLE DADE COUNTY, THROUGH ITS SECTION 9 AND SECTION 3 FIXED-GUIDEWAY MODERNIZATION APPORTIONMENTS, TO FINANCE SOME OF THE CAPITAL NEEDS ASSOCIATED WITH FULFILLMENT OF ITS NOW FORE-SHORTENED LONG-RANGE TRANSPORTATION PLAN.

FULL-FUNDING WOULD ALSO PROVIDE DISCRETIONARY SECTION 3 BUS AND FIXED GUIDEWAY MONIES TO ENABLE DADE COUNTY TO ACCELERATE DEVELOPMENT OF PUBLIC TRANSIT EXPANSION PROJECTS IN BOTH CATEGORIES TO ALLEVIATE THE SERIOUS CONGESTION CONCERNS PREVIOUSLY HIGHLIGHTED.

FULL-FUNDING OF ISTEA MUST ALSO INCLUDE THE AUTHORIZED PROVISIONS FOR FEDERAL OPERATING ASSISTANCE, INCLUDING THE INFLATION FACTOR. DADE COUNTY WOULD BE ADVERSELY AFFECTED BY LIMITATIONS TO OR SUSPENSION OF SUCH OPERATING ASSISTANCE. ANY FURTHER LIMITATION OF FEDERAL OPERATING ASSISTANCE WOULD NECESSITATE A REDUCTION IN SERVICE TO A GROWING AND RAPIDLY CONGESTING COMMUNITY FOR WHICH LOCAL

OFFICIALS ARE PROPOSING TO SUBSTANTIALLY INCREASE THE CAPITAL INVESTMENT IN TRANSIT. ALTHOUGH FEDERAL OPERATING ASSISTANCE TO DADE COUNTY ONLY REPRESENTS ABOUT 5% OF THE ANNUAL TRANSIT BUDGET, CONSTRAINING IT WOULD NECESSITATE A SERVICE REDUCTION IN AN ENVIRONMENT WHERE SERVICE EXPANSION IS OF THE HIGHEST PRIORITY.

- **ACQUISITION OF 30 ARTICULATED BUSES AND 20 SMALL BUSES**

CAPACITY NEEDS TO BE EXPANDED ON SEVERAL EXISTING METROBUS ROUTES TO MEET CURRENT AND PROJECTED RIDERSHIP DEMAND. SERVICE FREQUENCY ON THESE ROUTES HAS ALREADY BEEN INCREASED TO MAXIMUM PRACTICAL LEVELS AND FURTHER CAPACITY INCREASES CAN MOST REASONABLY BE ACCOMPLISHED BY HIGHER CAPACITY VEHICLES. A SECTION 3 DESIGNATION FOR A PORTION OF THIS CONTINGENT OF HIGH-CAPACITY VEHICLES WAS INCLUDED IN THE 1993 APPROPRIATIONS LEGISLATION. THIS CURRENT REQUEST, REPRESENTING $9 MILLION, WOULD FULFILL THE PLANNED LEVEL OF UTILIZATION FOR ARTICULATED BUSES.

ADDITIONALLY, THROUGH DEMONSTRATION PROJECTS INCLUDING LIMITED EXPRESS SERVICE IN DEVELOPING CORRIDORS AND THE POST-HURRICANE SUPPLEMENTAL EMERGENCY SERVICE, THE METRO-DADE TRANSIT AGENCY HAS IDENTIFIED AN EFFICIENT AND EFFECTIVE USE OF SMALLER (LESS THAN 40-FOOT) COACHES IN THE DADE COUNTY AREA. THE CURRENT SUB-FLEET OF 15 SMALL COACHES

HAS REACHED ITS AUTHORIZED RETIREMENT AGE. THE 20 SMALL COACHES FOR WHICH $ 3.2 MILLION IS BEING REQUESTED ACCOUNTS FOR REPLACEMENT OF CURRENT FIFTEEN AND A 33 1/3% EXPANSION PROGRAM FOR ADDITIONAL LIMITED EXPRESS AND CORRIDOR DEVELOPMENT SERVICES.

A $12.2 MILLION TOTAL APPROPRIATION OF SECTION 3 BUS TIER FUNDING IN FY 1994 IS REQUESTED TO FUND THIS PROJECT.

- **27TH AVENUE METRORAIL EXTENSION TO THE BROWARD COUNTY LINE**

THIS 9.5-MILE EXTENSION OF THE EXISTING METRORAIL FACILITIES WILL PROVIDE MUCH NEEDED CONNECTIONS FROM CAROL CITY, MIAMI-DADE COMMUNITY COLLEGE, OPA-LOCKA AND GOLDEN GLADES TO THE EXISTING TRANSIT SYSTEM PLUS SERVICE TO AND FROM JOE ROBBIE STADIUM (FOR MIAMI DOLPHINS AND FLORIDA MARLINS GAMES AND OTHER EVENTS) AND CALDER RACE TRACK.

THE CAROL CITY AND OPA-LOCKA CONNECTIONS WILL PROVIDE EXPRESS LINKS TO THE EXISTING RAPID TRANSIT NETWORK FOR AREAS WITH HIGH LEVELS OF TRANSIT-DEPENDENT RESIDENTS.

THE MIAMI-DADE COMMUNITY COLLEGE (MDCC) CONNECTION WILL PROVIDE A TRANSIT LINK CONVENIENT TO ALL AREAS OF DADE COUNTY WITH THE MAIN CAMPUS OF THE LARGEST COMMUNITY COLLEGE IN THE NATION. THE ADMINISTRATION OF MDCC IS HIGHLY

SUPPORTIVE OF TRANSIT OPPORTUNITIES FOR THEIR STUDENT BODY AND HAS COMMITTED TO JOINT DEVELOPMENT OF THE PROPOSED MDCC STATION ASSOCIATED WITH THIS PROJECT.

WHEN THIS PROJECT WAS INITIALLY PLANNED CALDER RACE TRACK, WITH ITS HORSE RACING EVENTS, AND JOE ROBBIE STADIUM (JRS), WITH ITS MIAMI DOLPHINS SCHEDULE, WERE BOTH SIGNIFICANT RIDERSHIP DRAWS, BUT WERE HIGHLY SEASONAL IN NATURE. SINCE THEN, PROFESSIONAL BASEBALL, WITH OVER EIGHTY HOME GAMES PER SEASON, HAS FOUND A HOME AT JRS. THE SOUTH FLORIDA AREA HAS ALSO RECENTLY OBTAINED PROFESSIONAL FRANCHISES FOR ICE HOCKEY (BY THE SAME OWNER OF THE FLORIDA MARLINS BASEBALL TEAM) AND ARENA FOOTBALL TO GO ALONG WITH THE EXISTING MIAMI HEAT PROFESSIONAL BASKETBALL TEAM. THESE LATTER TEAMS, CURRENTLY SCHEDULED TO PLAY ELSEWHERE FOR THE SHORT TERM, ARE BEING CONSIDERED TO RELOCATE TO THE SPORTS COMPLEX AREA AT THE NORTH END OF THIS PROPOSED CORRIDOR. ALTHOUGH EACH OF THESE SPORTS ATTRACTIONS REMAIN SEASONAL IN NATURE, THE OVERLAPPING CHARACTERISTICS OF THEIR RESPECTIVE SEASONS WILL CREATE A RELATIVELY CONSTANT RIDERSHIP DEMAND ACROSS THE YEAR.

ALSO INCLUDED IN THE PROJECT ARE PROPOSED TRANSIT INTERCEPTS WITH THE RECENTLY COMPLETED GRATIGNY PARKWAY, THE PALMETTO EXPRESSWAY AND THE HOMESTEAD EXTENSION OF THE FLORIDA TURNPIKE ALONG WITH PARKING GARAGES PROVIDING A TOTAL OF 3000 PARK-AND-RIDE SPACES AND OTHER BUS/RAIL INTERFACES.

EACH OF THESE MAJOR HIGHWAY INTERCEPTS IS INTENDED TO SIGNIFICANTLY MITIGATE THE TWO WORST CONGESTED CORRIDORS IN SOUTH FLORIDA (INTERSTATE-95 AND SR-826).

UTILIZING FUNDS FROM AN EXISTING FTA GRANT, ALTERNATIVES ANALYSIS AND DRAFT ENVIRONMENTAL IMPACT ANALYSIS IN THIS CORRIDOR ARE EXPECTED TO BE COMPLETED WITHIN FISCAL YEAR 1994. A 1994 APPROPRIATION TO CONTINUE IMPLEMENTATION OF THE PROJECT AT THE CONCLUSION OF THIS CURRENT WORK UNDERWAY IS APPROPRIATE AT THIS TIME.

A $18.6 MILLION DESIGNATION OF FTA SECTION 3 FIXED GUIDEWAY FUNDS IS REQUESTED FOR ADVANCING THIS PROJECT THROUGH THE PRELIMINARY ENGINEERING/FINAL ENVIRONMENTAL IMPACT/RIGHT-OF-WAY PHASES.

THE PEOPLE OF DADE COUNTY, FLORIDA ACKNOWLEDGE THE CONTRIBUTIONS AND LEADERSHIP OF CHAIRMAN CARR AND CONGRATULATE HIM ON HIS ASCENSION TO THE CHAIR OF THIS IMPORTANT SUBCOMMITTEE. THE PEOPLE OF DADE COUNTY ALSO EXPRESS THEIR GRATITUDE TO THE ENTIRE COMMITTEE MEMBERSHIP FOR THEIR PAST SUPPORT IN ADVANCING WORTHY PROJECTS IN THE SOUTH FLORIDA COMMUNITY AND HOPE FOR A CONTINUED COOPERATIVE RELATIONSHIP. THANK YOU FOR THE TIME AND OPPORTUNITY TO AGAIN PRESENT INFORMATION ABOUT A FEW TRANSPORTATION PROJECTS THAT ARE VITAL TO THE RECOVERY AND SUCCESS OF OUR COMMUNITY.

Mr. CARR. Thank you very much, Commissioner. We wish you a successful term.

Mr. Colby, do you have anything you would like to add?

Mr. COLBY. No, I think the commissioner covered it all.

Mr. CARR. Mr. Dellapa?

Mr. DELLAPA. No, sir, but thank you for the opportunity to be here.

Mr. CARR. Mr. Wolf?

Mr. WOLF. Bill, welcome back to the committee.

Mr. Commissioner, I have a couple of questions.

How much land is there at Homestead Air Force Base?

Mr. DELLAPA. A little over 3,000 acres, sir.

Mr. WOLF. This is going to have a tough impact on your community. Have you been in touch with the Base Closing Commission about this?

Mr. PENELAS. Yes, sir, we have. In fact, we have a very ambitious community group that has worked very closely together with representatives from the local governments as well as the metropolitan government. We have not only identified strategies to deal with BRAC, but we are well on our way of identifying different alternatives for the use of the base.

Mr. WOLF. So your attitude is not that you're going to fight to keep it open, but that you are going to make the best out of a very difficult situation and try to turn lemons into lemonade. Is that accurate?

Mr. PENELAS. No. We want the base to return to its pre-hurricane condition. We have to be prepared in the event that it is not. But our priority is to make sure that Homestead Air Force Base with its over 8,600 military-related jobs are returned to full capacity, as it was before the hurricane.

Mr. WOLF. Is there talk of a possible blend?

Mr. PENELAS. Yes, sir. One of the things that has been discussed with BRAC and the folks associated with this issue is some sort of a reserve presence at the facility. So there are other alternatives that are being discussed.

Mr. WOLF. But this $4 million for the feasibility study would be to see if the runways could be used with regard to an additional feeder airport?

Mr. DELLAPA. We have engaged a local consulting firm to do a feasibility study and a market analysis of all the potential uses for that Air Force base, whether joint use military and civilian or strictly civilian.

It is kind of covering the waterfront, if you will, of all the opportunities as an airfield that there might be for future use.

Mr. WOLF. Could that almost be an annex?

Mr. DELLAPA. We would like to see it as a supplemental or reliever airport. I think down the road about 10, 12, or 15 years Miami will be at capacity as an international airport. We are going to need additional capacity. With an airfield there with the length of its runways and the size of that property, it is many, many steps ahead of the process of being in line to be used as an aviation facility.

Mr. LEHMAN. They won't use that land for an aviation museum.

Mr. DELLAPA. Just for the information of the committee, the size of Homestead Air Force Base is almost the same size as Miami International today. We are 3,800 acres and Homestead is 3,000.

Mr. WOLF. So you don't have the noise problems in all these things you would have if you had to start a new airport out there.

How far is the distance between Homestead and Miami International?

Mr. PENELAS. It is about 25 miles to the south.

Mr. WOLF. How much funding are you asking for this year?

Mr. LEHMAN. We're asking for $18 million for the extension of the Metro Rail with section 3 new starts, we're asking for $12.2 million for buses, and then we're asking for report language urging a letter of intent for full funding contracts concerning the airport. That's it. Just those three little things. [Laughter.]

Mr. WOLF. Congressman McCollum has a bill in which would change the way that we handle certain individuals that come into airports. The CIA employees live in my area. The individual who killed the two people from CIA was here on a fraudulent passport. I don't know if you saw 60 Minutes a week and a half ago, but what happens is that these individuals come in and they are coached as to what to say when they land. Before they land, they flush their documents down the toilet. They land. Then they are coached to say that they are seeking political asylum. There are 35,000 to 40,000 who come into the New York area alone and you never see them again. They never come back for a hearing and just kind of fade into the city.

Bill McCollum's bill would have an asylum officer at each airport. Obviously, we don't want to negate the opportunity for political asylum. That is very important. But we want someone who can quiz these people, and get some sense of whether their asylum claim is legitimate or if they are a potential terrorist.

I would like to send you—particularly because of the number of international passengers—and we don't want to stop those passengers. We want them to come in and visit Miami and Orlando. But please look at the Mr. McCollum's bill and tell me what you think about it. I think you and Kennedy and perhaps LAX would be the three largest.

Mr. PENELAS. Thank you.

Mr. WOLF. I have no further questions, Mr. Chairman.

Thank you.

Mr. CARR. I have no further questions.

We had some very interesting testimony from the airlines. And you know that there is going to be a commission appointed very shortly about the airlines. I think a lot of people are rethinking their support for passenger facility charges. I was one who was always opposed to passenger facility charges. The chairman can tell you that.

As it works out, they are not passenger facility charges, they are airline facility charges and the airlines aren't making any money and they are eating the PFCs. They're paying them. The passengers aren't. We have an airline fiscal year that collectively lost several billion last year and they paid over $100 million worth of taxes, PFCs, fuel taxes, and the rest of it. There aren't many businesses that lose money and end up paying that amount of tax.

I know that Mr. Dellapa is vitally interested in the health of the airline industry, being that you are essentially a joint venture partner of major airlines down there. I might indicate that we also had testimony here the other day that was enlightening relative to the AIP program that every time we hand out an AIP grant it costs the airlines money. Right now, they just can't afford the cost as they're trying to recover.

So it turns out that governments—both at the Federal and local levels—in an effort to try to rush for new airport improvements end up burdening the cost structure of the airlines.

I just wanted to mention those bits of testimony which I feel are going to be guiding this committee as we move forward.

It is always nice to see old friends and meet new ones. And it is great to have our chairman back.

WEDNESDAY, MARCH 24, 1993.

NATIONAL ASSOCIATION OF GOVERNORS' HIGHWAY SAFETY REPRESENTATIVES (NAGHSR)

WITNESS

JAMES ARENA, DIRECTOR, NEW JERSEY DIVISION OF HIGHWAY TRAFFIC SAFETY; AND CHAIR, NATIONAL ASSOCIATION OF GOVERNORS' HIGHWAY SAFETY REPRESENTATIVES

Mr. CARR. Our next witness will be Mr. James Arena, director of the New Jersey Division of Highway Traffic Safety and chairman of the National Association of Governors' Highway Safety Representatives.

Welcome, Mr. Arena. We are pleased to have you before the committee today.

Given that we are very far behind in our schedule and very much over time, we will put your testimony in the record in its entirety. We would ask you to simply summarize a few of the high points.

Mr. ARENA. Thank you, Mr. Chairman.

NAGHSR urges that the 402 program should be funded at the $143 million authorized level for fiscal year 1994. State highway safety programs are funded primarily with funds from the 402 program. Under the program, States receive grants to fund a wide range of projects which address the problems of impaired driving, occupant protection, enforcement of traffic safety laws and regulations, and so on.

The grants are intended to be used as seed money so that generally by the end of a 3-year period, projects are expected to become self-sufficient. NAGHSR strongly believes that the program has been very effective and made a major contribution to the decline in the mileage death rate.

As a result, 402 funded activities have helped reduce medical and other costs, resulted in the passage of important State highway safety legislation, and helped create highway safety leadership at the State and local levels.

The 402 program has been a very cost-effective program since States have used the grant funds to leverage State, local, private sector, and in-kind contributions. The rate of return for highway safety programs, including the 402 program, is 7 to 1 under the most conservative scenario, a rate few other Federal programs can claim.

Funding for the program has leveled off and a portion of available funds has been earmarked. As a result, the program's buying power has been significantly reduced over the last decade. Additionally, ISTEA and public pressure have placed more demands on State highway safety programs without a corresponding increase in funding. Funding for other highway safety-related has increased, yet 402 funding, which is aimed at reducing nearly 40,000 fatalities and 5 million injuries annually, has not been.

With increased funds States could develop new programs for high-risk drivers such as the young, elderly, rural populations, minorities, ethnic, and others. With additional funds States could improve their traffic record systems which allow States to collect more uniform and consistent data. Better data would help States improve the management of their highway safety programs and would provide Congress with a more reliable source of information about program effectiveness.

We support funding the FHwA portion of the 402 program at the $20 million authorized level in fiscal year 1994 as well. The funds will help States pay for the development and implementation of the safety management system required under ISTEA, improve work zone safety, improve pavement signs, and markings for the older driver.

NAGHSR recommends that the $16 million remaining in the 408 program be appropriated and the program closed out. We also recommend that the 410 program be funded at the authorized level of $25 million. Preliminary analyses show that all the current 410 States will continue to be eligible for funding and that as many as six to ten more may be eligible. The full $25 million will be needed in order to avoid a funding shortfall.

The Association urges that the funding of the 153 should be increased. Preliminary analyses show that there could be a net gain in the number of States that are eligible for 153 grants. If the incentives are going to have an impact, they should be funded at higher levels.

We support the increased funding for MPSAP. The scope of the MPSAP program was broadened under ISTEA and now States can use funds for traffic enforcement, drug enforcement training, data collection, and reporting, among other things. More funds are needed if the States are going to implement these new activities and improve motor carrier safety.

Mr. Chairman, I have a statistical analyses which spells out and makes some comparisons of the State highway safety program achievements at the 1966 level with no highway safety improvements and then with the highway safety improvements on the fourth page. Highlighted in yellow give the costs avoided by the significant improvements of the highway safety program.

I will be happy to answer any questions.

[The prepared statement of Mr. Arena follows:]

Statement of James Arena
on behalf of the
National Association of Governors' Highway Safety Representatives

before the
Transportation Subcommittee
House Appropriations Committee

March 24, 1993

I. Introduction

My name is James A. Arena, Governor's Representative for New Jersey, Director of the New Jersey Division of Highway Traffic Safety and Chair of the National Association of Governors' Highway Safety Representatives (NAGHSR). NAGHSR is the national association of state highway safety offices. Its members are appointed by their Governors to develop and implement their state highway safety programs and to administer the federal highway safety grant programs for their respective states. The Association is primarily concerned about driver behavior issues (such as impaired driving, occupant protection, pedestrian, bicycle, and motorcycle safety) as well as truck safety, roadway safety, emergency medical services, and safety management systems.

II. NHTSA 402 Program: Federal and State Role

NAGHSR strongly urges the Appropriations Committee to fund the National Highway Traffic Safety Administration (NHTSA) portion of the 402 program at the authorized level of $143 million in FY 94. In order to explain this recommendation, a description of how the 402 program operates at the federal and state levels is necessary.

The 402 program is a federally-funded, state administered program. NHTSA administers the largest portion of the program and shares the federal administration of the bicycle/pedestrian program with the Federal Highway Administration (FHWA). FHWA is the federal administrator of the roadway safety portion of the program. The 402 is the single, major source of funding for state highway safety programs. 402 funds are allocated to every state, not just those who satisfy certain statutorily mandated (often stringent and single purpose) criteria.

Under the program, states receive grants to fund a wide variety of highway safety priorities including: impaired driving, occupant protection, police traffic services, bicycle and pedestrian safety, motorcycle safety, traffic records, roadway safety, and emergency medical services. States are strongly encouraged to address these national priorities within their Highway Safety Plan. However, states have flexibility to determine the number of priorities which should be addressed and the amount of funds allocated to each area, based on the state's identified and documented problems and needs. (States may fund non-priority areas as long as they provide sufficient justification and documentation of the highway safety problem.)

States typically use the funds to support such activities as enforcement of state highway safety laws, training, public education and information programs, program monitoring and evaluation. Funds are also used to support safety-related coalitional activities whose purpose is to inform decision-makers about particular highway safety problems and to suggest legislative or programmatic solutions. These coalitions not only bring visibility to critical highway safety problems, but they help improve interagency coordination, and their work often lead to the passage of important state legislation. Since 402 funds are available to every state and the program gives the state considerable latitude, the program enjoys widespread support among the states.

One of the unique features of the 402 program is that it does not encourage dependency upon the federal funds, unlike many other federal grant programs. Rather, highway safety funding is more of a cooperative venture between the federal and state governments. States are required to provide a matching share to the federal funds, and the amount of the federal match typically declines over a three-year period. By the end of that time period, the 402-funded project is expected to become self-sufficient. In effect, the 402 grants are "seed monies" which allow the states to test out different highway safety strategies and programs over a three-year period and to convince the state and local governments and the private sector that a particular strategy is a worthwhile investment.

States may enact user fees, fines, surcharges, or taxes[1], seek state and local appropriations or in-kind contributions, or solicit support from the private sector to match their federal grants and pay for programs. In New Jersey, for example, the state legislature has enacted a number of fees with which to pay for impaired driving programs. Under one such fee, convicted drunk drivers pay $100 for their first offense and $150 for their second offense. In 1991, these fees raised more than $5 million which paid for a statewide rehabilitation, education and treatment program administered by the counties.

The federal 402 funds, on the other hand, give the states the stable and reliable funding they need to implement state programs. Given the weakened fiscal conditions most states are in and the extreme competition for limited state dollars, it is highly unlikely that the states could fund highway safety programs without federal assistance. Furthermore, some highway safety programs (occupant protection, traffic records, pedestrian safety, school bus safety) cannot be easily funded in a self-sufficient manner. Even in those programs which are self-sufficient (such as impaired driving programs), the user fees may not generate enough revenue to completely pay for a prevention or enforcement program. Federal funding is needed for these purposes.

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[1] NHTSA is preparing a comprehensive report on state self-sufficiency, the first part of which may be released this fall. The report will identify specific fees, fines, surcharges, and taxes nearly all the states have enacted to pay for their impaired driving programs.

III. Increased Funding for 402 Program

Even though the 402 program is a relatively small federal program, it has been a highly successful one. State highway safety programs financed with 402 funds have been a major contributor to the decline in the fatality rate to 1.8 deaths per 100 million miles of travel in 1992 -- the lowest death rate ever and the biggest decline in thirty years. Improvements in vehicle design standards, roadway improvements, emergency medical services programs, and highway safety research and state funding have also contributed to the declining death rate.

According to a recent report of the National Highway Traffic Safety Administration (NHTSA), traffic fatalities cost the country $137.5 billion a year in lost productivity, medical costs, property damage, insurance administration, and legal and court costs. One third of the first year costs of motor vehicle injuries are paid for by the taxpayer in the form of Medicaid and Medicare payments. Another substantial portion of costs is in the form of lost tax revenues to federal, state and local treasuries.

Based on the NHTSA report, fatal crashes alone cost $31.2 billion in 1990 -- $702,281 for each traffic death. If the societal cost of $702,281 per fatality is applied to the 1,962 reduction in the number of fatalities which occurred between 1991 and 1992, then the U.S. avoided $1.38 billion in medical and other costs during that time period. NHTSA also calculated that in 1992, severe injuries declined 3,256 from 1991 levels. At an average cost of $373,393 for each severe injury, an additional cost of $1.21 billion was avoided as a result of highway safety improvements.

During FY 92, $190 million was appropriated for federal highway safety grant programs, including the incentive grant programs ($118 million for the NHTSA 402 program). A comparison of the savings from the fatality reductions to the expenditures for the grant programs indicates that, for every $1 spent on grant programs, $7.25 was avoided in fatality costs. If the avoided costs of severe injuries are included, the benefit rises to $13.53 for each federal highway safety grant dollar spent. Even assuming very conservatively that driver behavior grant programs contributed to only half the reduction in fatalities and injuries (and that other factors and programs contributed to the remaining half), then the return on the investment in federal highway safety programs would still be nearly 7:1 -- a return that few federal programs can claim.

The 402 program has helped states develop programs which led to passage of state laws, improved enforcement of existing laws, changed public attitudes, built state and local leadership in highway safety and, at least in part, led to the substantial savings in medical and other costs. At a time when there is overwhelming concern about escalating health care costs, any federal program which will keep costs down is well worth renewed federal support.

Despite the success of the 402 program, it has not received the visibility or support it deserves. Funding for the program was increased only slightly in FY 92 for the first time in seven years, and then reduced again the following year (see attached chart). If inflation were taken into account, funding for the 402 program would actually show a 30% - 40% decline over the last ten years.

At the same time, demands on 402 funds have increased exponentially. Prior to 1988, there were six national highway safety priorities which state plans were expected to address. That was amended to seven in 1988, then eight in 1991. Under ISTEA, two more potential priorities may be added. ISTEA added new data elements which states are required to collect but did not provide any additional funding for that purpose. States have been criticized for moving too slowly against impaired driving problems, for failing to address the problems of child safety seat usage, for inadequately protecting pedestrians and bicyclists, and for failing to recognize the growing problem of drugged driving, yet no new resources have been offered to help them solve these problems.

Additionally, for most of the last decade, 402 funds were earmarked for special highway safety purposes such as enforcement of the 55 mph speed limit, school bus safety projects, and implementation of the Commercial Drivers License requirements. The net effect of level funding and earmarking is that the "buying power" of 402 program has been significantly reduced.

Motor carrier safety grant funding, by contrast, has grown from $10 million in FY 84 to $65 million in FY 93. The grants are authorized to increase to $90 million by FY 97, despite the fact that fatalities involving large commercial motor carriers (over 26,000 lbs. GVW) accounted for less than 4,500 fatalities in 1991. In other words, MCSAP funding equalled 57% of NHTSA 402 funding in FY 93, yet motor carrier fatalities accounted for only 12% of all motor vehicle-related fatalities in 1991. Although NAGHSR supports increased funds for motor carrier safety, as will be discussed later, there is also a need for increased federal highway safety grant programs to complement motor carrier safety programs and enhance their effectiveness.

Grants for the IVHS program have grown from $2 million in FY 90 to $217.3 million in FY 93. And while the IVHS has the potential for major safety benefits in the future, 402 program funding should be increased so as to facilitate the integration of IVHS with existing driver programs and maximize IVHS's potential benefits.

Too many people are still being injured or killed in motor vehicle crashes -- crashes that could be prevented if the public were educated about risky driving behavior if there were adequate highway safety laws, if the driving public were informed about those laws, and if the laws were adequately enforced. In order to reduce the number of fatalities below 39,000 per year, it is necessary to change the driving behavior of "hard to reach" and high risk populations, such as rural, young, elderly, women, minority, and challenged drivers. For this, more targeted and creative programs, and more 402 resources will be needed. This would allow existing highway safety efforts to create new and innovative highway safety programs while ensuring continued funding for strategies that have been proven successful.

Additional 402 funds could also be used to improve state traffic records systems. States could use the added funds to help them implement NHTSA's Critical Automated Data Reporting Elements (CADRE) -- a single set of recommended crash-related data elements -- which would provide data consistency and uniformity from state to state. States could also develop or improve their injury-related data bases, upgrade their licensing and conviction data, or establish linkages between data bases.

These kinds of improvements are extremely costly, often difficult and time-consuming to implement, yet critical to a state's highway safety program. A change to a police accident report form (which is the primary source of fatality data) can typically cost from $500,000 to $2 million per state. With adequate traffic records systems, however, a state can clearly identify its highway safety problems, develop an appropriate state plan, and more definitively evaluate the effectiveness of programs that have been implemented. States would also be in a better position to address Congressional concerns about emerging highway safety problems and program effectiveness.

We urge, therefore, that the NHTSA 402 program should be funded at the authorized level of $143 million.

IV. FHWA 402 Program

FHWA 402 funds can be used to develop and implement systems and procedures which support safety safety construction and operational improvements. (These funds cannot, however, be used for the actual design, engineering, or construction of safety improvements.) Under the FHWA portion of the 402 program, states may use funds to update their sign inventories, undertake accident reconstructions, identify high accident locations, support traffic records improvements, provide safety engineering training, offer safety engineering technical assistance to communities, and make improvements in work zone safety, among other things. The program has been level-funded since FY 80, despite the doubling of authorized funding enacted under ISTEA.

The Association believes that the FHWA 402 program provides a critical link between highway construction and driver behavior. It ensures that traffic on new and improved roadways is controlled and provides safety information to drivers through signage. It helps maximize the federal investment in highways by contributing to crash avoidance on those highways.

NAGHSR strongly supports funding the FHWA portion of the 402 program at the authorized level of $20 million. We believe that an increase in the FHWA 402 program is long overdue. In the previous decade, FHWA 402 funding has been minimal (see attached chart), given the importance of traffic management to highway safety in general. Due to underfunding, states have received allocations that are too small to allow the effective implementation of programs. (Large states typically receive an apportionment of only $250,000 - $500,000. Small states may receive an apportionment as low as $50,000.)

There are three reasons for our support for increased funding. First, ISTEA requires states to develop Safety Management System (SMS) plans which identify safety goals and objectives for each state and establish a mechanism for ensuring that safety is considered in every highway project. No new funds were authorized, however, for state implementation of the SMS requirements, even though the requirements will involve a considerable commitment of state manpower and resources. The FHWA 402 program is likely to be the main source of funding for state SMS implementation efforts, despite the fact that the program is a comparatively small one. In order to ensure that states develop and implement quality SMS plans, more resources are needed.

Second, as the country's population ages and the size of the elderly population increases, there will be tremendous pressure to upgrade traffic control devices and enlarge traffic signs in order to improve safety for the aging population. More FHWA 402 funds will be needed to purchase and maintain traffic signs and traffic control devices.

Third, as the Interstate program shifts away from construction and towards repair and renovation, more work zones will be established and more work zone-related crashes are likely to occur. Additional FHWA 402 funds will be needed for work zone safety programs as a result.

V. Section 408 and 410 Impaired Driving Incentive Grant Programs

Both the 408 and 410 incentive grant programs provide states with additional funds with which to address the problems of impaired driving. Although the number of alcohol-related fatalities have declined over the last decade, alcohol-related fatalities still accounted for 48% of all fatalities in 1991. It is appropriate, therefore, that additional funds be dedicated to the problem. States use the funds for impaired driving prevention programs and to fund such activities as sobriety checkpoints, saturation patrols, DUI training for law enforcement officials, and DUI education programs.

Funds expended under the 408 and 410 incentive grant programs do not duplicate the 402 program, and visa versa. 402 funds can be spent on a wide variety of safety programs, as previously noted. The incentive grant programs, on the other hand, are restricted to specific uses, are not allocated to all states, are of limited duration, and, in the case of the 410 program, are primarily used for community-based prevention programs.

The Section 408 alcohol incentive grant program was unaffected by the passage of ISTEA. The program will remain in existence until available obligational authority is depleted. At the beginning of FY 93, $27 million in obligational authority was available in the 408 account. $11 million was appropriated for the 408 program in FY 93, leaving a remainder of approximately $16 million.

NAGHSR urges that the entire $16 million be appropriated in FY 94 and the program be closed out by the end of FY 94. Preliminary estimates show that all states presently receiving 408 funds will continue to be eligible for them in FY 94. Additionally, the state legislatures of New York and Florida are presently considering legislation which would enable both states to qualify for 408 funds. If eligible, Florida would receive an apportionment of $1.7 million. New York's apportionment would be even higher. If one or both states become eligible, then the full amount remaining in the 408 account will be needed.

ISTEA restructured the Section 410 Drunk Driving Prevention Program by adding new eligibility criteria for basic and supplemental grants. In FY 92, states were required to qualify for 410 grants by satisfying only four out of five eligibility criteria. Seventeen states qualified in that year. Two states -- New Mexico and Indiana -- qualified under the "old" 410 program that existed prior to ISTEA. They continued to receive grants in FY 92.

In the FY 93 DOT appropriations legislation, the 410 program was altered so that states would have to qualify for grants by satisfying 5 out of 6 eligibility criteria. However, states that had qualified in FY 92 were grandfathered into the revised program and allowed to qualify on the same basis as before. FY 93 grants have not been made because the final 410 implementation regulations have not yet been promulgated.

Preliminary estimates indicate that all 19 states (including Indiana and New Mexico) will continue to qualify for 410 grants in FY 94. Between 6-10 additional states may qualify under the revised eligibility criteria. NAGHSR believes, therefore, that the fully authorized level of $25 million will be needed in FY 94 to fund all currently and potentially eligible states. We strongly urge that the program should be funded at that level.

VI. **Section 153 Safety Belt and Motorcycle Helmet Incentive Grant Program**

ISTEA created a new incentive grant program for states that adopted mandatory motorcycle helmet and safety belt legislation and satisfied specific usage criteria. In FY 92, seventeen states plus the District of Columbia and Puerto Rico qualified for 153 funds. The program was funded at $12 million in FY 93 -- half the authorized level.

Occupant protection programs are among the least costly and most effective highway safety programs. NHTSA estimates that safety belts saved 4,682 lives and prevented 122,000 moderate to critical injuries in 1991 alone. States with safety belt laws had the biggest savings, and states with motorcycle helmet laws saw dramatic declines in the number of fatalities from the time the laws were enacted.

Since the authorization level of funding is significantly below what it should have been, qualifying states are eligible for smaller than expected grants. (Section 153(e) of Title I, PL 102-240, indicates that the maximum aggregate amount of grants a state may receive is 90% of its FY 90 Section 402 apportionment. Using that formula, the 153 program should have been authorized at $103 million over three years -- $34.33 million per year -- instead of the actual authorization level of $67 million over three years.) As a result, state apportionments under the 153 program have been minimal. New Jersey, for example, received an apportionment of $446,010 in FY 92. In a state of more than 7 million people, the federal assistance equalled to little more than 6 cents a person to operate an occupant protection and motorcycle safety program.

NAGHSR submits that the higher the level of incentives, the more likely a state is to enact qualifying legislation, particularly in those states that are facing severe budget shortfalls. The Association strongly suggest that if the 153 program is to be completely effective, it should be funded at increased levels.

Many state legislatures are currently considering mandatory safety belt and motorcycle helmet laws this year. West Virginia has an eligible motorcycle helmet law and just adopted a safety belt law which will make it eligible for a 153 grant. Vermont, South Dakota, and Maine have introduced qualifying safety belt legislation, and Kentucky may take up safety belt legislation as part of its special legislative session. At least one of those states is expected to adopt the necessary legislation this year. Ten states have pending motorcycle helmet legislation (four have already lost their legislative battle on motorcycle helmets). As a result, several new states may become eligible for first-year 153 incentive grants. Additionally, California and Nebraska would be eligible to receive their second year grant, although Mississippi and Louisiana would not be because they would not satisfy the safety belt usage criteria.

NAGHSR believes that there will be a net increase in the number of states qualifying for grants, which will necessitate an increase in the 153 program.

VII. **Motor Carrier Safety Assistance Program**

The Motor Carrier Safety Assistance Program (MCSAP) is primarily an inspection program whose purpose is to ensure that commercial motor carriers were in compliance with federal motor carrier regulations. MCSAP is generally viewed as an excellent federal program which has resulted in improved truck maintenance and lower crash rates for large trucks. Changes in MCSAP authorizing legislation over the last several years have tightened the inspection program and have increased out-of-service rates.

NAGHSR supports funding the Motor Carrier Safety Assistance Program (MCSAP) at increased levels.

ISTEA substantially broadened the scope of MCSAP and placed more emphasis on motor carrier safety. Under the revised program, funds can be used for commercial motor vehicle traffic enforcement, commercial motor vehicle information system, commercial driver's license enforcement, and implementation of the National Governors' Association recommendations concerning truck accident data collection and reporting, among other things.

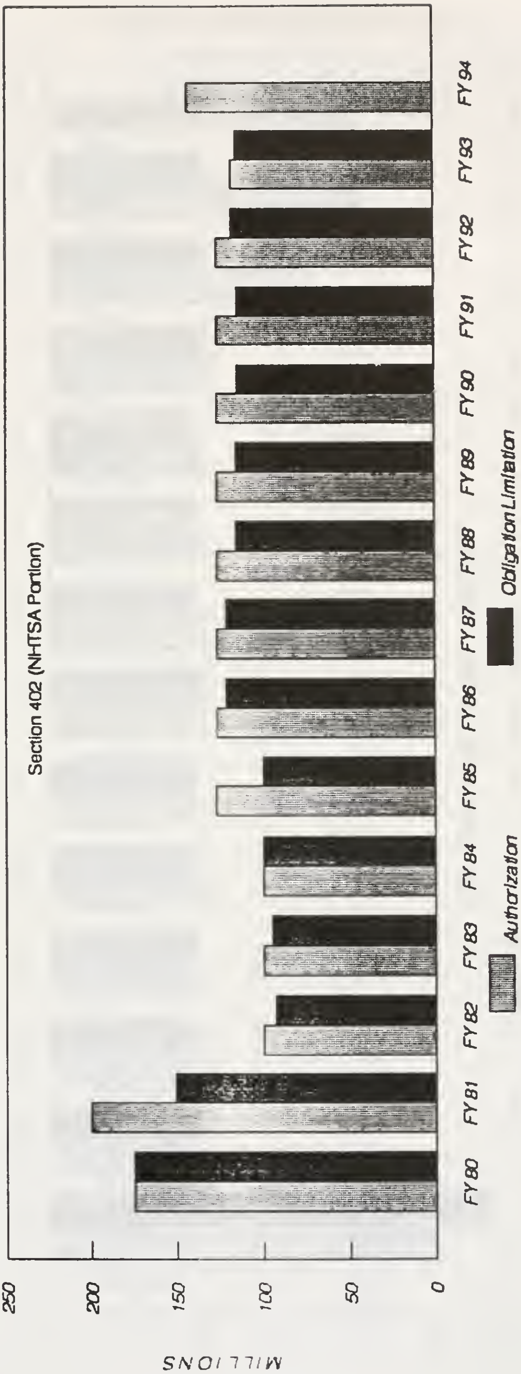
NAGHSR strongly supported all of these activities in the authorizing legislation, and we are seeking increased funding in order to support their implementation.

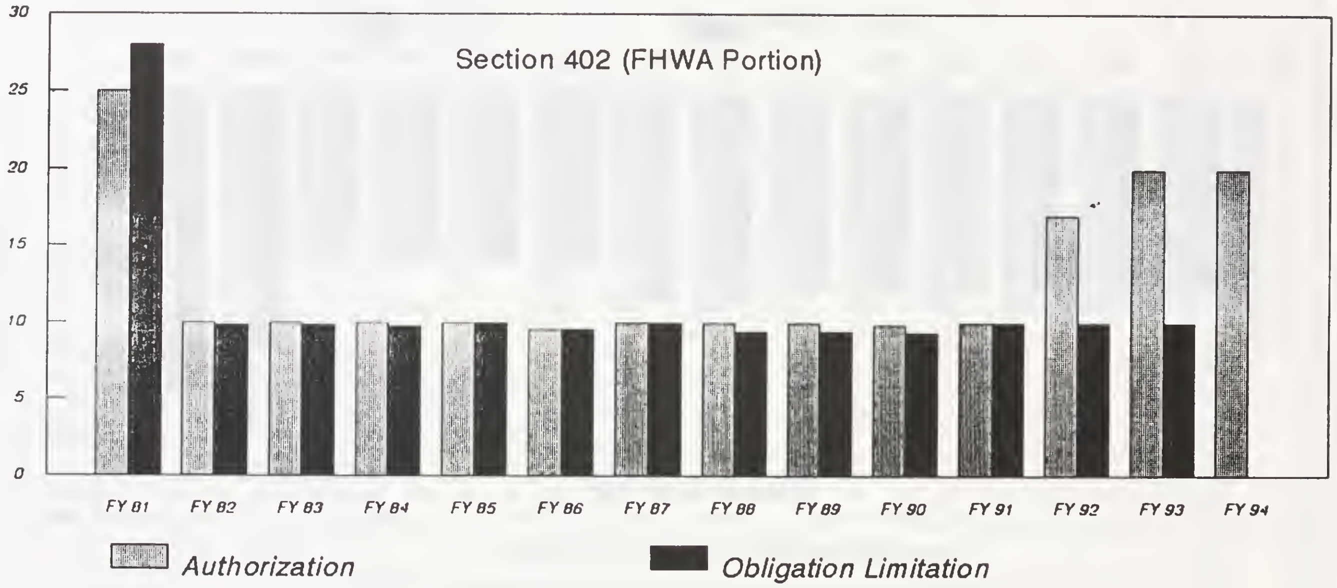
Mr. Chairman, this concludes my remarks. I appreciate the opportunity to address the Committee on FY 94 appropriations for highway safety programs, and I would be glad to answer any questions the Committee may have.

Federal Highway Safety Grant Funding

Authorizations, Appropriations, and Obligation Limitations

Section 402 (NHTSA Portion)




Section 402 (FHWA Portion)
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FY 81
FY 82
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FY 84
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FY 89
FY 90
FY 91
FY 92
FY 93
FY 94
Authorization
Obligation Limitation

U. S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINSTRATION

FY 1993 LIMITATION ON OBLIGATIONS
FOR FHWA HIGHWAY SAFETY PROGRAMS
UNDER 23 U.S.C. 402

STATE	LIMITATION
Alabama	170,749
Alaska	49,500
Arizona	138,459
Arkansas	114,212
California	951,560
Colorado	141,867
Connecticut	106,202
Delaware	49,500
Dist. of Col.	49,500
Florida	437,181
Georgia	252,465
Hawaii	49,500
Idaho	66,684
Illinois	409,646
Indiana	214,526
Iowa	147,949
Kansas	152,144
Kentucky	147,811
Louisiana	156,271
Maine	49,500
Maryland	154,277
Massachusetts	192,852
Michigan	337,261
Minnesota	203,915
Mississippi	117,740
Missouri	220,010
Montana	65,965
Nebraska	101,583
Nevada	62,123
New Hampshire	49,500
New Jersey	241,794
New Mexico	77,473
New York	582,040
North Carolina	247,418
North Dakota	71,048
Ohio	379,195
Oklahoma	158,311
Oregon	139,918
Pennsylvania	410,662
Rhode Island	49,500
South Carolina	138,695
South Dakota	70,635
Tennessee	191,091
Texas	664,311
Utah	75,535
Vermont	49,500
Virginia	218,287
Washington	187,761
West Virginia	72,445
Wisconsin	207,060
Wyoming	49,500
America Samoa	24,750
Guam	24,750
Puerto Rico	108,869
N. Marianas	24,750
Virgin Islands	24,750
SUBTOTAL	9,850,500
Secretary of Interior	49,500
Administration	100,000
TOTAL	10,000,000

Mr. CARR. Thank you, Mr. Arena.

Your statement suggests that in order to reduce higher fatalities we need to target hard-to-reach and high-risk drivers.

Would there be anything wrong if we made that kind of a target, if we said that additional funding for 402 would go to those high-risk groups?

Mr. ARENA. That would be acceptable, Mr. Chairman, unless the money is taken out of the 402 program and earmarked. A number of programs that implemented require maintenance once they get up and running. There is generally a 10 to 15 percent maintenance cost to keep good programs already on-line.

Mr. CARR. Mr. Wolf?

Mr. WOLF. Should there be a national law prohibiting trucks from having a radar detector?

Mr. ARENA. I would strongly support that. That is correct.

Mr. WOLF. Would that save lives and stop trucking accidents?

Mr. ARENA. I would think it would have a significant impact. There are a number of studies around the country that suggest that the higher the speed of the vehicle, the higher the likelihood of them having a radar detector.

Mr. WOLF. Could you furnish the committee any of these studies?

Mr. ARENA. I would be happy to.

Mr. WOLF. And it would have to be a national law. I know Virginia has a law.

Mr. ARENA. I believe there are five States.

Mr. WOLF. Do you know which ones?

Mr. ARENA. Virginia, Connecticut—I will get that list for you. I think Connecticut repealed theirs.

Mr. WOLF. Do you know why?

Mr. ARENA. The motor carrier safety group from Connecticut has been trying to do this along with a number of other issues for the last 10 years. There is a very strong lobbying group out that is opposed to radar detector bans. We are presently through going through resistance to raising the speed limits in New Jersey to 65. At the very suggestion of banning radar detectors, the State is saturated with lobbyists.

Mr. WOLF. Who are the groups who lobby?

Mr. ARENA. Generally, the radar detector manufacturers. They can manufacture those units for $2 to $3 and they sell them for $100 to $200. It is a very lucrative business.

Mr. WOLF. Are they made here in the United States?

Mr. ARENA. Yes, they are.

Mr. WOLF. What should we do with regard to targeting alcohol?

Mr. ARENA. Well, each year we have a new group of drivers that comes into the driving age. Under-age youth and alcohol is a significant problem, almost an epidemic at the college levels. It is a very serious problem. In addition to that, we have the drug recognition and drug training. We are seeing a higher incidence of drugged driving.

The scenario is that people will have one or two drinks because the breathalizer measures the volume of alcohol and then they will do either cocaine, marijuana, PCP, or some other illegal drug. They will be significantly impaired, but not legally intoxicated. The drug recognition program, in fact, trains police officers to take another level of appraisals and tests to determine the category of drug and the laboratory tests certify and confirm the presence of that drug.

Last year in New Jersey, out of 763 fatalities, 52 had significant quantities of drugs in their body in addition to alcohol. Some legal and some illegal.

Mr. Wolf. If you took drugs and alcohol out of the fatalities, how much would it reduce the fatalities?

Mr. Arena. Approximately 45 percent.

Mr. Wolf. Thank you very much for your testimony.

Thank you, Mr. Chairman.

Mr. Carr. Thank you, Mr. Arena.

Mr. Arena. I would invite any members of the subcommittee to visit any one of the States and see all the good work that is going on. There is a lot of work with ethnic communities, hearing impaired drivers. Driver education for hearing impaired is 1960s vintage. They are so busy trying to read and write and survive that they have no driving safety or alcohol safety information available. They are the kinds of programs that we do.

Mr. Wolf. Is there any cutting-edge technology for the hearing impaired as far as driver safety?

Mr. Arena. Mostly it is catch-up. In New Jersey, we hire intern students to be liaisons between highway safety and the deaf community. There are over 1 million deaf people in the State of New Jersey and they have no information.

Mr. Wolf. Maybe that is something that Gallaudet College ought to be asked to look at. I work with a group in my congressional district with regard to putting in TDY machines. Now they are pretty much accepted.

Thank you very much.

Wednesday, March 24, 1993.

NATIONAL ASSOCIATION OF STATE BOATING LAW ADMINISTRATORS

WITNESSES

MAJOR RANDOLPH W. DILL, PAST PRESIDENT, NATIONAL ASSOCIATION OF STATE BOATING LAW ADMINISTRATORS, STATE BOATING ADMINISTRATOR, OLD LYME, CONNECTICUT

HERBERT BURNS, CHIEF, LAW ENFORCEMENT DIVISION, DEPARTMENT OF NATURAL RESOURCES, LANSING, MICHIGAN

Mr. Carr. Our final witnesses for today will be representing the National Association of State Boating Law Administrators, Major Randolph Dill and Mr. Herbert Burns.

I will be glad to include your statements in the record, if you would please summarize. We certainly would appreciate it. We have been here for four and a half hours.

Major Dill. Thank you, Mr. Chairman. We will be sensitive to your wishes to conclude quickly.

We are here to testify today on the Boating Safety Trust Fund for fiscal year 1994.

The National Association of State Boating Law Administrators is a professional organization comprised of State members and officials who are responsible for boating safety programs in the States, law enforcement education administration, and regulation.

The thrust of our testimony this afternoon will focus on the boating safety account of the Aquatic Resources Trust Fund, which we are more familiar with as the Wallop-Breaux Fund.

As you know, Wallop-Breaux is funded with fuel tax funds from boaters. The authorized funding to the States and the Coast Guard is $70 million. Half goes to the States and half to the Coast Guard. I should note at this point that if any funds that are not appropriated to boating safety boils over into fish restoration, under the fish restoration program, boating safety cannot be funded. So any funds that do not go to the boating safety side go to fisheries.

The Wallop–Breaux Fund is a user fee. We think the concept is a good one. The user pays and the user benefits.

You have a copy of "Boating Safety Dollars at Work," which is a summary of State programs on boating safety. We believe these programs have been cost-effective and they certainly provide direct services to the public.

It is significant to note that in the past 20 years fatalities has been reduced or declined significantly from 20 per 1,000 in 1971 to 4.6 in 1991. Although I have to tell you that in 1991 it did rise slightly. It did give us some concern. But I am told this year from the Coast Guard that the number may be down again. We think that is due largely to the success of the boating safety program.

While we are proud of our accomplishments, we also have to applaud Congress for passing this law in the first place and also for supporting it over the years.

I don't need to tell you that the States have been under the gun for general revenues. It has hurt a variety of programs. We are fortunate in boating safety to have been a stable program in boating safety. I think that is due largely to the fact that the Wallop–Breaux program and its 50/50 match encourages States to put money into boating safety.

States assume a major share of boating safety although it is largely a joint responsibility with the Coast Guard. We are concerned that by reducing funds to the States, the Coast Guard will actually have to take a larger share of the responsibility at a very high cost. We are proud of the close relationship that we have and the partnership with the Coast Guard in boating safety.

In "Boating Safety Dollars at Work," you probably noticed a letter from Admiral Kime, commandant of the Coast Guard, who wrote to us and told us that he thinks—and we like to think he is right—that the partnership between the Coast Guard and the States and the involvement of Wallop-Breaux has contributed a great deal to boating safety.

We are convinced that few Government programs function as well as Wallop-Breaux, providing the kinds of results in the reduction of accidents and the reductions of fatalities.

[The prepared statement of Major Dill follows:]

NATIONAL ASSOCIATION OF STATE
BOATING LAW ADMINISTRATORS

Please reply to:
Major Randolph W. Dill
Boating Law Administrator
State of Connecticut
Office of Boating Safety
P.O. Box 280
333 Ferry Road
Old Lyme, CT 06371-0280

Statement of

NATIONAL ASSOCIATION OF
STATE BOATING LAW ADMINISTRATORS

before the

HOUSE APPROPRIATION SUBCOMMITTEE
FOR TRANSPORTATION

Re: Boating Safety Trust Fund
For FY '94

Presented by

Major Randolph W. Dill
Boating Law Administrator
State of Connecticut

NATIONAL ASSOCIATION OF STATE
BOATING LAW ADMINISTRATORS

Please reply to:

Mr. Chairman and Members of the SubCommittee,

I am Major Randolph W. Dill, Boating Law Administrator, State of Connecticut and Past President of the National Association of State Boating Law Administrators. Our Association is pleased to provide input into your hearing regarding the State of Boating Safety Trust Fund Appropriation for fiscal 1994.

The National Association of State Boating Law Administrators (NASBLA) is a professional association consisting of state, commonwealth and provincial officials having responsibility for administering and/or enforcing state boating laws.

My testimony today will focus on the Aquatic Resources Trust Fund and more specific the Boat Safety Account of this fund.

The Boat Safety Account, as you are aware, is funded with monies from the Aquatic Resources Trust Fund (popularly known as the Wallop–Breaux Fund). Monies in this trust fund come from gasoline taxes paid by boaters. Under current law $70 million is authorized to be transferred to the Boat Safety Account. Half of the funds are used by the Coast Guard and half goes to the states in the form of matching grants to fund boating safety programs. These funds are very much needed to augment the state funds and have improved our credibility and effectiveness in the budgetary competition within state legislatures.

Our Association feels this is indeed a model State–Federal partnership and is in keeping with the user fee concept (ie) user pays–user benefits. We are very proud of the use of these funds and believe we are meeting the high expectations of the Congress. Our Association has prepared a booklet which details state by state projects funneled through these grants. We have made copies of this publication available to each member of this SubCommittee.

Mr. Chairman, our Association feels very strongly that the establishment of the Boat Safety Account of the Aquatic Resources Trust Fund (Wallop–Breaux) was a milestone in Federal legislation, directing support to "Our Boating Public" with the tax this group pays on marine fuel used in motorboats. In previous testimony, we have applauded this SubCommittee and the Congress on their farsighted approach to the needs of this user group, without placing a burden of the general taxpayer. We are here again today to reiterate our support of this important law.

We feel the state program, to date, is a shining example of an ideal State/Federal partnership. We will continue to strive for more innovative uses of these funds to better educate the boater and further reduce boating fatalities. However, we cannot over emphasize that stability is needed if the true fruits of full funding are to be realized. We, therefore, urgently ask this SubCommittee to provide full funding of $70 million as authorized for the Boat Safety Account for fiscal 1994.

Allowing the States to recoup the Federal marine fuel tax that boaters pay on marine fuel used in motorboats is a prime example of the user fees helping the user. With these funds the States have willingly assumed a major share of what is logically and statutorily a joint responsibility. The States have demonstrated credibility and consistency, and have provided necessary resources to reach the boating public. The States have concentrated on establishing an administrative infrastructure, purchasing equipment and promoting the education and enforcement techniques which stimulate increased boating awareness, and help to decrease fatalities. We believe that state programs provide the most cost effective service to the boating public. To reduce funding to the states would shift safety services back to the Federal government resulting in inordinate costs to the taxpayers.

In all previous testimony before this SubCommittee we have spoken with pride of the excellent State–Federal partnership we share with the U.S. Coast Guard. On the front cover of our publication "Boating Safety Dollars At Work" we show a joint operation involving a Coast Guard helicopter and a state patrol boat, which further radiates the "State–Federal partnership". We truly believe that we compliment each other in our joint efforts to make safe and enjoyable boating a reality on our nation's waterways.

In our 1992 publication "Boating Safety Dollars At Work", we published a message from Admiral J.W. Kime, Commandant U.S. Coast Guard. Attached to my testimony is a copy of this message for the SubCommittee's perusal. The Admiral's letter will further attest to the excellent cooperative effort that exists between the States and the Coast Guard in the area of boating safety. Needless to say we are very pleased with the Admiral's statement, "The financial assistance provided to the States from the Boat Safety Account of the Aquatic Resources Trust Fund has, of course, contributed significantly to the ability of the States to accept the additional responsibility. This is truly an outstanding example of the ability of government at all levels to work together for the benefit of the public we serve, and I am fully convinced that this cooperative effort has directly resulted in safer boating for millions of Americans."

In summary, Mr. Chairman, our Association is pleased to offer our comments on the Coast Guard's Appropriation for fiscal 1994. We appreciate this SubCommittee's continuing support and again ask for your consideration of full funding of $70 million as authorized for fiscal 1994.

Thank You

Major Dill. Mr. Burns would like to describe very briefly the programs and successes he has had in Michigan.

Mr. Carr. Welcome, Mr. Burns. It is always nice to have someone from home.

Mr. Burns. It is my pleasure. And I will be extremely brief.

Michigan, with its vast Great Lakes, lakes, and streams certainly provide a variety of recreational opportunities for watercraft. It is therefore probably no surprise that Michigan consistently has more registered watercraft than any other State in the Nation.

Boating safety is a critical issue of the citizens of Michigan. The $1 million that we currently receive from the trust fund is a vital part of our funding base in Michigan, and we expend in excess of some $5 million collectively in the boating safety area.

Two decades ago, Michigan had slightly over 500,000 registered boats and we were averaging about 65 fatalities each year on the waters of Michigan. As I said before, we are currently approaching 900,000 registered watercraft in the State and we have been able to depress that fatality rate to an average of 30 per year.

That represents a success story that is really a combination of effort by the State, the county Sheriffs, and the United States Coast Guard in Michigan. We additionally train another 25,000 students annually, both youth and adult.

The trust fund money is critical to Michigan and I am here to urge your support for full funding of that.

Mr. Carr. Thank you very much. It is nice to have you here. We have a unique and large exposure in terms of boating safety.

Mr. Wolf?

Mr. Wolf. I thank you both. Remember that the Bible says that the last shall be first. Maybe you're in a pretty good spot. [Laughter.]

Mr. Carr. This meeting of the Transportation Appropriations Subcommittee will stand in recess until 9:00 tomorrow.

MONDAY, MARCH 29, 1993.

DENVER REGIONAL TRANSPORTATION DISTRICT (RTD)

WITNESSES

HON. PATRICIA SCHROEDER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF COLORADO

KENNETH HOTARD, CHAIRMAN, RTD BOARD OF DIRECTORS

PETER CIPOLLA, GENERAL MANAGER, RTD

Mr. CARR. We will call this meeting to order, and we are delighted to see my good friend Pat Schroeder here from Colorado. We started out many years ago together.

Mrs. SCHROEDER. And got into a lot of trouble.

Mr. CARR. Yes.

Are we waiting for David?

Mrs. SCHROEDER. He is in Colorado.

Mr. CARR. Why don't I call upon you to make the introductions.

Mrs. SCHROEDER. Well, thank you very much.

Mr. Chairman, I will be very brief, because obviously I think you know everybody here. I am here to introduce the Chairman of the Board of Directors of the Regional Transportation District in my area, Ken Hotard, at this hearing. We are very pleased they could be here. We want to thank this group for being so helpful.

There are just a couple of things I would like to frame: that the Regional Transportation District is one of the largest transit districts in the nation. It goes up and down the front range. It is a huge, long district, and I don't know how they have ever coped with all of that. But in the last year, they have increased the ridership 3 percent. They have increased fare-box revenues by 2.7 percent—I am not quite sure how you guys did that—and the bus fleet by 2.7 percent. Maybe they can explain all that to us.

Anyway, they continue to work on that and I think anyone who has been in and out of Colorado knows that one of the biggest problems we do have is our air quality problem, because if you put an altimeter on your car and go east, you go up 2. We know you go up if you go west. But what people forget is if you go east, you also go up another thousand miles. So—or thousand feet, I am sorry. So Denver is kind of in this hole up against the mountains, and our air quality thing continues to be a terrific problem, which is fed mainly by the automobiles.

So they are looking at feeding or finding a way to do rapid transit into the most populated corridors that we have got, and it is growing like top seed, and I think it is very important if we are ever going to get the air quality and everything going. That is what they are here, that is what they are about. They are elected by the people.

I thank you very much for letting me appear. I will turn it over to Ken.

Mr. CARR. Mr. Hotard.

I like your tie, incidentally.

Mrs. SCHROEDER. I like yours.

Mr. HOTARD. Yours is quite attractive as well.

My name is Kenneth Hotard and I am Chairman of the Board of the Regional Transportation District in Denver. To Representative Schroeder's left is Mr. Peter Cipolla, who is the General Manager of the Regional Transportation District.

I appreciate this opportunity to inform you of our progress in developing a rapid transit system in the region. I would also like to request your assistance in advancing one part of that system, the Southwest Corridor.

RTD provides transit service to 1.8 million residents in six counties and 39 municipalities in an area of more than 2,300 square miles. This is one of the largest transit districts in the nation. We have a fleet of 800 buses, and it carried over 58 million passengers in 1992.

As Representative Schroeder mentioned, our ridership increased dramatically last year by 3 percent, fare-box revenues went up, as well as our bus fleet had increased. This is really very significant due to the fact that most transit companies have experienced ridership reductions last year.

RTD's success, we believe, can be attributed to our organizational philosophy, based on three simple concepts: innovation, fiscal responsibility, and entrepreneurial strategies.

In the area of innovation, RTD is installing a systemwide vehicle locator system that will improve our operating efficiency and provide better information and service to our customers.

We have also been selected by the U.S. Department of Transportation for an operational test project in the National Intelligent Vehicle Highway System program. In cooperation with the Colorado Department of Transportation and Westinghouse Electric, we will assess the impact of providing actual travel time information on the public's use of transit.

We are working with General West Rail Services, Incorporated, in a demonstration project that will allow us to identify and track transit vehicle parts using microchip technology. This is a transfer of military technology into another application. This we expect will improve vehicle maintenance efficiency and hold down costs.

We have completed two years of testing methanol and compressed-natural-gas-powered buses as well as particulate trap technology in Colorado. In cooperation with the Colorado School of Mines, we have established the only EPA-certified high-altitude, heavy-duty engine emissions testing facility in the nation.

Representative Schroeder mentioned our air quality problems. Twice this winter, the Denver region violated Federal carbon monoxide and particulate emissions standards on the same day. This had never happened before. Our innovative fuels and technology programs plus expanded transit service will be crucial factors in achieving air quality standards. We know every person using transit instead of driving reduces hydrocarbon emissions by 9 pounds, and carbon monoxide by more than 65 pounds.

Fiscal responsibility is another area of importance to the regional district. Nearly 24 percent of our bus service has been contracted with private transit operators in our region. Our 1992 fare-box cost recovery ratio was over 36 percent.

The joint RTD-Colorado Department of Transportation-FTA-FWHA and City of Denver north I–25 bus/high occupancy vehicle lane project will open in late 1994. It will be on schedule and within budget.

RTD's metro area connection light rail project in central Denver is under construction this year. This is a 5.3 mile, $100 million project that is being built by RTD totally with local funds and without raising any taxes. RTD's use tax revenues are dedicated for the funding of major capital projects such as light rail.

Our financial strength continues to be reflected in our A–1 bond rating by Moody's Investors Service and our AA-minus rating by Standard & Poors.

We are particularly proud of the entrepreneurial efforts we have engaged in in the last several years. We have expanded transit service through cost sharing with private businesses and organizations that benefit from the service.

We also offer a wide range of programs and support services to help businesses provide employees alternatives to driving alone. Among these is a program called the Eco Pass. It is an annual unlimited transit pass which employers can provide to all of their employees. We believe our performance demonstrates that investments in public transit are prudent public policy when the transit agency delivers a significant return on that investment.

RTD's most recent rapid transit project is being conducted in accordance this philosophy. In May of last year, we began an alternatives analysis/draft environmental impact statement for the Southwest Corridor. This corridor is part of the regional transportation plan adopted by the NPO.

The Southwest Corridor connects Douglas County, which is the fastest growing county in the Denver metro area. Between 1980 and 1990, its population grew at a rate of over 135 percent. By 2010, traffic volumes on that facility will have increased by 150 percent, exceeding the capacity of the planned improvements.

We have widespread support from citizens and local governments along the corridor. There are no foreseeable negative environmental impacts associated with the development of rapid transit in the corridor. A great deal of environmental assessment work has been conducted as part of previous preparation improvement projects.

This alternatives analysis is scheduled for completion in early 1994. RTD will then begin the preliminary engineering phase of the project to refine the design of the locally preferred alternative and develop more precise estimates of cost and impact.

We are requesting your funding of this 12-month, $6 million preliminary engineering project. We have recently committed $7.5 million of our own local funds to acquire the necessary right-of-way for developing rapid transit in the corridor. We ask you to join us in completing this important project.

We believe that our request does respond to the principles of fiscal responsibility and technical merit that have been established by Congress and the President for the 1994 budget.

Thank you very much for this opportunity and for your consideration.

[The prepared statement of Mr. Hotard follows:]

Regional Transportation District

RTD

1600 Blake Street
Denver, Colorado 80202-1399
303/628 9000

STATEMENT OF KENNETH N. HOTARD

CHAIRMAN OF THE BOARD
DENVER REGIONAL TRANSPORTATION DISTRICT

BEFORE THE

SUBCOMMITTEE ON TRANSPORTATION
COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES

MARCH 29, 1993

CHAIRMAN CARR AND MEMBERS OF THE SUBCOMMITTEE, MY NAME IS KENNETH HOTARD AND I AM THE CHAIRMAN OF THE BOARD OF DIRECTORS OF THE DENVER REGIONAL TRANSPORTATION DISTRICT (RTD). JOINING ME TODAY IS MR. PETER CIPOLLA, RTD'S GENERAL MANAGER. I APPRECIATE THIS OPPORTUNITY TO INFORM YOU OF OUR PROGRESS IN DEVELOPING A RAPID TRANSIT SYSTEM IN THE DENVER REGION. I WOULD ALSO LIKE TO REQUEST YOUR ASSISTANCE IN ADVANCING ONE PART OF THAT SYSTEM - THE SOUTHWEST CORRIDOR.

RTD PROVIDES TRANSIT SERVICE TO THE 1.8 MILLION RESIDENTS OF THE SIX COUNTIES AND 39 MUNICIPALITIES IN OUR 2,300 SQUARE MILE DISTRICT, ONE OF THE LARGEST TRANSIT DISTRICTS IN THE NATION. OUR FLEET OF 800 BUSES CARRIED OVER 58 MILLION BUS PASSENGERS IN 1992.

RTD ENJOYED A VERY SUCCESSFUL YEAR IN 1992:

- OUR ANNUAL RIDERSHIP INCREASED 3 PERCENT
- FAREBOX REVENUES INCREASED 2.7 PERCENT, AND
- OUR BUS FLEET GREW BY 2.7 PERCENT

THESE INCREASES ARE ESPECIALLY SIGNIFICANT BECAUSE MOST OTHER TRANSIT SYSTEMS EXPERIENCED REDUCED RIDERSHIP LAST YEAR.

RTD'S SUCCESS CAN BE ATTRIBUTED TO OUR ORGANIZATIONAL PHILOSOPHY, WHICH DIFFERS FROM MANY PUBLIC TRANSIT AGENCIES. THIS PHILOSOPHY IS BASED ON THREE CONCEPTS:

- INNOVATION
- FISCAL RESPONSIBILITY, AND
- ENTREPRENEURIAL STRATEGIES

INNOVATION

- RTD IS INSTALLING A SYSTEM-WIDE AUTOMATIC VEHICLE LOCATOR SYSTEM. THIS SYSTEM WILL IMPROVE OPERATING EFFICIENCY AND PROVIDE BETTER INFORMATION AND SERVICE TO OUR CUSTOMERS.

- RTD HAS BEEN SELECTED BY THE U.S. DEPARTMENT OF TRANSPORTATION FOR AN OPERATIONAL TEST PROJECT IN THE NATIONAL INTELLIGENT VEHICLE HIGHWAY SYSTEM PROGRAM. IN COOPERATION WITH THE COLORADO DEPARTMENT OF TRANSPORTATION AND WESTINGHOUSE ELECTRIC CORPORATION, WE WILL ASSESS THE IMPACT OF PROVIDING ACTUAL TRAVEL TIME INFORMATION ON THE PUBLIC'S USE OF TRANSIT.

- RTD IS WORKING WITH GENWEST RAIL SERVICES INCORPORATED IN A DEMONSTRATION PROJECT TO IDENTIFY AND TRACK TRANSIT VEHICLE PARTS USING MICROCHIP TECHNOLOGY. THIS TRANSFER OF MILITARY TECHNOLOGY COULD IMPROVE VEHICLE MAINTENANCE EFFICIENCY AND REDUCE MAINTENANCE COSTS.

- RTD HAS COMPLETED TWO YEARS OF TESTING METHANOL AND COMPRESSED NATURAL GAS POWERED BUSES AS WELL AS PARTICULATE TRAP TECHNOLOGY. IN COOPERATION WITH THE COLORADO SCHOOL OF MINES WE HAVE ESTABLISHED THE ONLY EPA-CERTIFIED HIGH ALTITUDE, HEAVY DUTY ENGINE EMISSIONS TESTING FACILITY IN THE NATION.

  TWICE THIS WINTER, THE DENVER REGION VIOLATED FEDERAL CARBON MONOXIDE AND PARTICULATE EMISSIONS STANDARDS ON THE SAME DAY, SOMETHING IT HAD NEVER DONE BEFORE. RTD'S INNOVATIVE FUELS AND TECHNOLOGY PROGRAM PLUS EXPANDED TRANSIT SERVICE WILL BE CRUCIAL FACTORS IN ACHIEVING AIR QUALITY STANDARDS. EVERY PERSON USING TRANSIT INSTEAD OF DRIVING REDUCES ANNUAL HYDROCARBON EMISSIONS BY 9 POUNDS, AND CARBON MONOXIDE BY MORE THAN 65 POUNDS.

FISCAL RESPONSIBILITY

- NEARLY 24 PERCENT OF RTD BUS SERVICE HAS BEEN CONTRACTED WITH PRIVATE TRANSIT OPERATORS.

- RTD'S 1992 FAREBOX COST RECOVERY RATIO WAS OVER 36 PERCENT.

- THE JOINT RTD-COLORADO DEPARTMENT OF TRANSPORTATION-FTA-FWHA-CITY OF DENVER NORTH I-25 BUS/HIGH OCCUPANCY VEHICLE LANE PROJECT WILL OPEN IN LATE 1994, ON SCHEDULE AND WITHIN THE PROJECT BUDGET.

- RTD'S METRO AREA CONNECTION LIGHT RAIL PROJECT IN CENTRAL DENVER IS UNDER CONSTRUCTION. THIS 5.3 MILE, $100 MILLION PROJECT IS BEING BUILT BY RTD TOTALLY WITH LOCAL FUNDS AND WITHOUT RAISING ANY TAXES. RTD'S USE TAX REVENUES ARE SPECIFICALLY DEDICATED FOR THE FUNDING OF MAJOR CAPITAL PROJECTS SUCH AS LIGHT RAIL.

- RTD'S FINANCIAL STRENGTH IS REFLECTED BY OUR A-1 BOND RATING BY MOODY'S INVESTORS SERVICE, AND OUR AA MINUS RATING BY STANDARD AND POOR'S.

ENTREPRENEURIAL STRATEGIES

- RTD HAS IMPLEMENTED EXPANDED TRANSIT SERVICE THROUGH COST SHARING WITH PRIVATE BUSINESSES AND ORGANIZATIONS THAT BENEFIT FROM THE SERVICE. SUCH SERVICE IS PROVIDED TO :
  - THE MARTIN MARIETTA FACILITY
  - THE ARAPAHOE PARK HORSE RACING TRACK
  - CENTRAL DENVER CULTURAL AND HISTORIC SITES, AND
  - UNIVERSITY OF COLORADO STUDENTS

- RTD OFFERS A WIDE RANGE OF PROGRAMS AND SUPPORT SERVICES TO HELP BUSINESSES PROVIDE THEIR EMPLOYEES ALTERNATIVES TO DRIVING ALONE. AMONG THESE PROGRAMS IS THE ECO PASS, AN ANNUAL, UNLIMITED USE, TRANSIT PASS WHICH EMPLOYERS PROVIDE TO ALL OF THEIR EMPLOYEES. FOR A MAXIMUM ANNUAL COST OF $180 PER EMPLOYEE, EMPLOYERS PROVIDE EACH EMPLOYEE A BENEFIT WORTH $888, THE COST OF 12 MONTHLY BUS PASSES. MORE THAN 850 COMPANIES, REPRESENTING OVER 22,000 EMPLOYEES ARE USING THE ECO PASS.

- RTD AND BURLINGTON NORTHERN RAILROAD ARE COOPERATING IN THE ANALYSIS OF COMMUTER RAIL OPPORTUNITIES FROM THE WESTERN PART OF THE DENVER REGION INTO CENTRAL DENVER ALONG EXISTING FREIGHT RAIL LINES.

RTD TAKES PRIDE IN OUR SUCCESSFUL EFFORTS TO PROVIDE EFFICIENT, RELIABLE TRANSIT SERVICE IN A MANNER THAT PROVIDES MAXIMUM BENEFIT TO THE TAXPAYERS WHO FINANCE OUR OPERATIONS. WE BELIEVE THAT OUR PERFORMANCE DEMONSTRATES THAT INVESTMENTS IN PUBLIC TRANSIT ARE PRUDENT PUBLIC POLICY DECISIONS WHEN THE TRANSIT AGENCY DELIVERS A SIGNIFICANT RETURN ON THAT INVESTMENT.

RTD'S MOST RECENT RAPID TRANSIT PROJECT IS BEING CONDUCTED IN ACCORDANCE WITH THIS PHILOSOPHY. IN MAY 1992, RTD, IN CONJUNCTION WITH THE FEDERAL TRANSIT

ADMINISTRATION, BEGAN AN ALTERNATIVES ANALYSIS/DRAFT ENVIRONMENTAL IMPACT STATEMENT FOR THE SOUTHWEST CORRIDOR. THE INTENT OF THIS PROCESS IS TO SELECT A LOCALLY PREFERRED, FINANCIALLY FEASIBLE, TRANSIT PROJECT FOR THE SOUTHWEST CORRIDOR. THE SOUTHWEST CORRIDOR IS CENTERED ON SOUTH SANTA FE DRIVE AND AN EXISTING RAILROAD RIGHT-OF-WAY PARALLEL TO THE ROADWAY. THE CORRIDOR IS PART OF THE REGIONAL TRANSPORTATION PLAN ADOPTED BY THE DENVER REGIONAL COUNCIL OF GOVERNMENTS, THE REGION'S METROPOLITAN PLANNING ORGANIZATION.

THIS PLAN CALLS FOR A RAPID TRANSIT SYSTEM TO CONSIST OF "HIGH SPEED, HIGH CAPACITY TRANSIT VEHICLES OPERATING IN RESERVED RIGHT-OF-WAY IN THE MOST HEAVILY TRAVELED CORRIDORS OF THE REGION, WITH FREQUENT PEAK-PERIOD SERVICE." IN ADDITION, THE PLAN STATES THAT THE TECHNOLOGY IMPLEMENTED SHOULD BE "...THE MOST COST-EFFECTIVE AND APPROPRIATE...TECHNOLOGY AVAILABLE AT THE TIME EACH STAGE IS CONSTRUCTED."

THE SOUTHWEST CORRIDOR HAS A LONG HISTORY AS A CRITICAL TRANSPORTATION CORRIDOR IN THE DENVER REGION. THE CORRIDOR CONNECTS DOUGLAS COUNTY, THE FASTEST-GROWING COUNTY IN THE DENVER METRO AREA, WITH THE HUB OF REGIONAL EMPLOYMENT IN DOWNTOWN DENVER. BETWEEN 1980 AND 1990 DOUGLAS COUNTY POPULATION GREW AT A RATE OF OVER 135%. TRAFFIC VOLUMES ON SOUTH SANTA FE DRIVE HAVE GROWN IN RESPONSE TO THE DEVELOPMENT WITHIN THE SOUTHWEST CORRIDOR. 1990 AVERAGE DAILY TRAFFIC VOLUMES RANGED FROM 40,000 TO 56,000 VEHICLES ON SOUTH SANTA FE DRIVE. STOP-AND-GO TRAFFIC CONDITIONS COMMONLY OCCUR DURING MORNING MIDDAY AND AFTERNOON PEAK PERIODS. BY THE YEAR 2,010, IT IS PROJECTED THAT TRAFFIC VOLUMES ON SOUTH SANTA FE DRIVE WILL HAVE INCREASED BY OVER 150%, FAR EXCEEDING THE CAPACITY OF PLANNED ROAD IMPROVEMENTS.

IN ORDER TO MAINTAIN ACCEPTABLE LEVELS OF MOBILITY IN THE SOUTHWEST CORRIDOR, MASS TRANSIT MUST PLAY AN EXPANDED ROLE. INVESTMENTS IN FACILITIES TO ALLOW TRANSIT VEHICLES TO BYPASS INCREASING CONGESTION ARE REQUIRED FOR TRANSIT TO ATTRACT NEW RIDERS AND REDUCE DEPENDENCE ON THE AUTOMOBILE IN THE SOUTHWEST CORRIDOR.

THIS PROJECT HAS RECEIVED WIDESPREAD SUPPORT FROM THE CITIZENS AND LOCAL GOVERNMENTS ALONG THE CORRIDOR. A COMPREHENSIVE PUBLIC INVOLVEMENT PROCESS WAS INITIATED EARLY IN THE PROJECT. THREE PUBLIC MEETINGS WERE HELD IN DECEMBER, 1992 DURING THE SCOPING PHASE OF THE PROJECT. ADDITIONAL PUBLIC MEETINGS AND WORKSHOPS WILL BE HELD ON OR BEFORE MAJOR MILESTONES THROUGHOUT THE COURSE OF THE PROJECT. RTD HAS ALSO ESTABLISHED TWO ADVISORY COMMITTEES COMPRISED OF REPRESENTATIVES OF MUNICIPAL AND COUNTY GOVERNMENTS AS WELL AS REGIONAL, STATE AND FEDERAL AGENCIES TO PROVIDE PROJECT GUIDANCE ON POLICY AND TECHNICAL ISSUES. THERE ARE NO FORESEEABLE NEGATIVE ENVIRONMENTAL IMPACTS ASSOCIATED WITH THE DEVELOPMENT OF RAPID TRANSIT IN THIS CORRIDOR. A GREAT DEAL OF ENVIRONMENTAL ASSESSMENT WORK HAS BEEN CONDUCTED AS PART OF PREVIOUS TRANSPORTATION IMPROVEMENT PROJECTS IN THIS CORRIDOR.

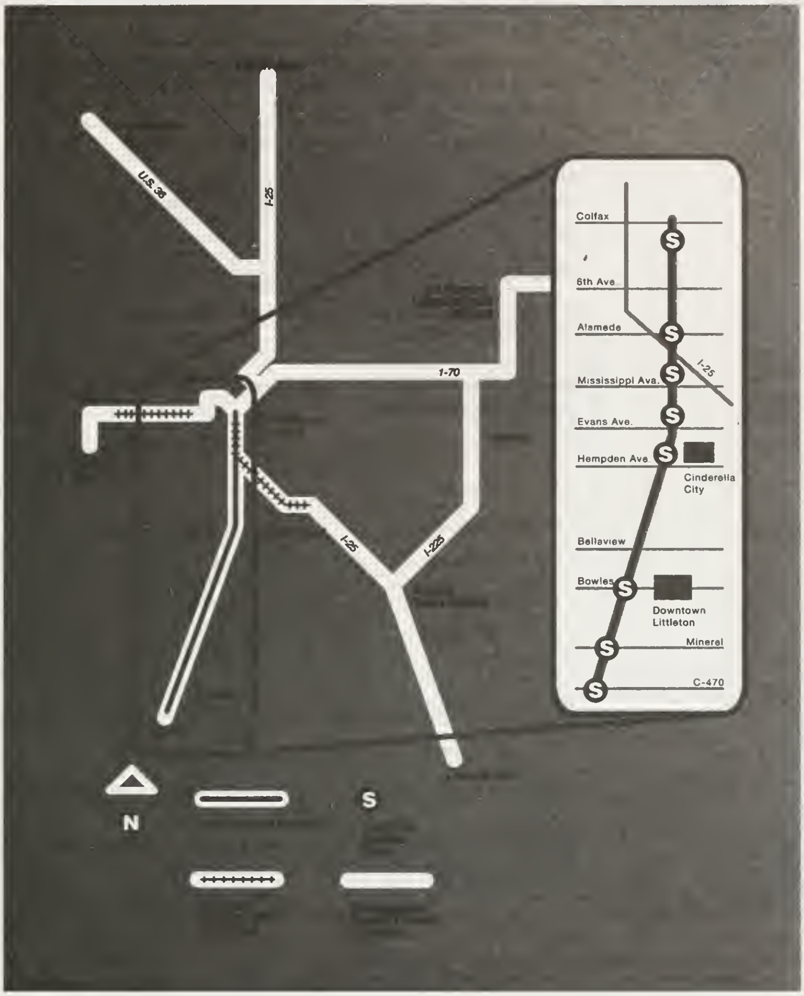
THE SOUTHWEST CORRIDOR ALTERNATIVES ANALYSIS IS SCHEDULED FOR COMPLETION IN EARLY 1994. RTD WILL THEN BEGIN THE PRELIMINARY ENGINEERING PHASE OF THE PROJECT TO REFINE THE DESIGN OF THE LOCALLY PREFERRED TRANSIT ALTERNATIVE AND DEVELOP MORE PRECISE ESTIMATES OF COSTS AND IMPACTS.

WE ARE REQUESTING YOUR FUNDING OF THIS 12 MONTH, $6 MILLION PRELIMINARY ENGINEERING PROJECT. BASED ON THE MERIT OF THIS PROJECT, WE HAVE RECENTLY COMMITTED $7.5 MILLION OF OUR OWN LOCAL FUNDS TO ACQUIRE THE NECESSARY RIGHT-OF-WAY FOR DEVELOPING RAPID TRANSIT IN THIS CORRIDOR. WE ASK YOU TO JOIN US IN COMPLETING THIS IMPORTANT PROJECT. WE BELIEVE THAT OUR MODEST REQUEST RESPONDS

TO THE PRINCIPLES OF FISCAL RESPONSIBILITY AND TECHNICAL MERIT THAT HAVE BEEN ESTABLISHED BY CONGRESS AND THE PRESIDENT FOR THE 1994 BUDGET.

THANK YOU FOR THIS OPPORTUNITY TO DISCUSS OUR ACTIVITIES AND FOR YOUR CONSIDERATION OF OUR REQUEST.

Southwest Corridor



RTD

Southwest Corridor

Project Overview

In April 1992, RTD received a grant from the Federal Transit Administration to begin an Alternatives Analysis of rapid transit options between downtown Denver and North Highlands Ranch Parkway in Douglas County, along South Santa Fe Drive. The corridor runs through the cities of Denver, Englewood, and Littleton and is adjacent to the cities of of Sheridan and Columbine Valley.

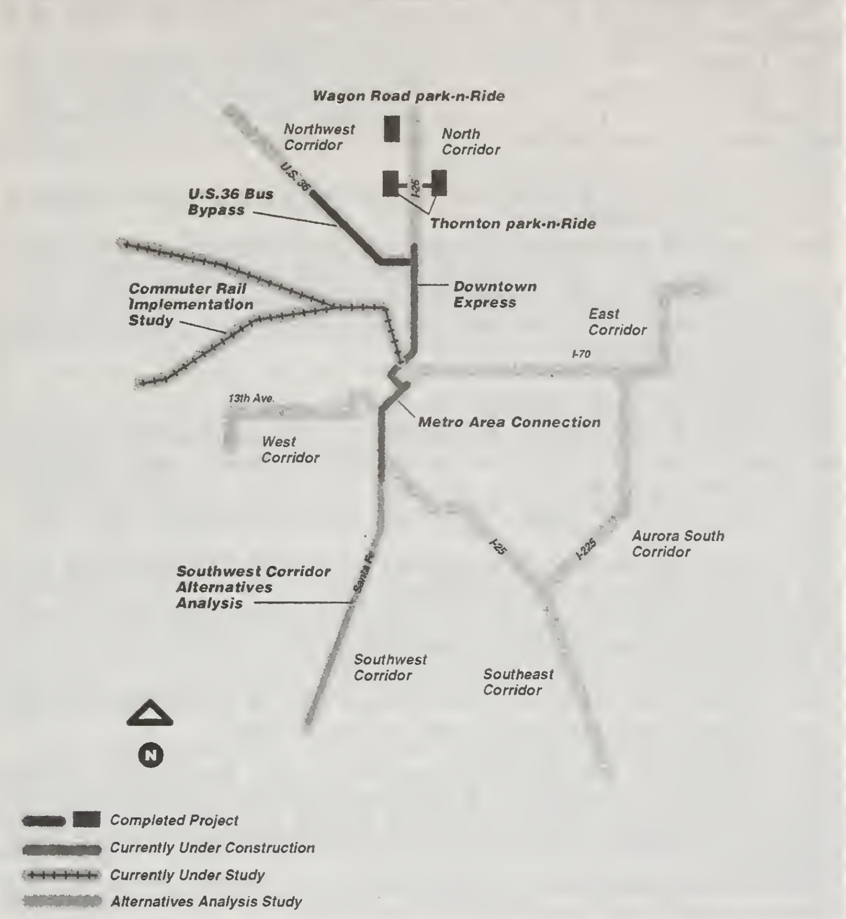
The Alternatives Analysis will identify alignment, technology and station location options and evaluate each of these alternatives in terms of cost-effectiveness, environmental, financial, operational and traffic impacts. RTD will be working closely with the public and local agencies to ensure that all issues and concerns will be addressed in the analyses. The study will result in a Draft Environmental Impact Statement, a locally preferred alternative and a financial plan.

The study is scheduled to be completed in August 1994, with engineering studies and construction through the year 2000.

System Characteristics

- 14 mile length (downtown Denver to North Highlands Ranch Parkway)
- 10 - 30 minute headways
- Simple at-grade stations
- Light Rail, commuter rail or busway, at-grade
- Reserved right-of-way
- park-n-Ride facilities at most stations
- Proven off-the-shelf technology
- Direct access ramps for busway
- Consistent with MAC and Adopted Regional Transportation plan
- Year 2010 Ridership 16,000 to 18,000/day

Rapid Transit Projects 1993-1997



Mr. Carr. Thank you very much, Mr. Hotard. Let me ask a few questions.

What do you look at for this Southwest Corridor in terms of a possible overmatch? What is your matching ratio?

Mr. Cipolla. We currently have $100 million invested in the MAC light rail project which would be an extension of this particular corridor. It ties right into this corridor. We are in the construction phases of that project right now. We will be completing it in October of 1994, opening that phase.

We also have the $7.5 million which we are currently investing in that corridor right away.

Mr. Carr. So you are not contemplating any match beyond that?

Mr. Cipolla. We can match beyond that depending upon what the actual match needs are by FTA qualifications.

Mr. Carr. Well, of course, the law says 80/20, but are you willing to do more than that?

Mr. Cipolla. Yes.

Mr. Carr. You can't quantify that right now?

Mr. Cipolla. We are in the midst of the alternatives analysis right now. Once the alternatives analysis actually does establish the preferred alternative to actually construct in that corridor, then we can be more direct, in answer to your question, Mr. Chairman.

Mr. Carr. Do you have a dedicated local source of operating revenue for the Denver area, and what is it?

Mr. Cipolla. We caught the six-tenths percent sales tax and use tax generates probably $90 million a year.

Mr. Carr. How does the use tax work?

Mr. Cipolla. Based upon any product that is purchased outside of your district but is actually used in the district.

Mr. Carr. How is it enforced?

Mr. Cipolla. The State does collect that tax. We reimburse the State for that, for actually collecting for us. The enforcement is—we believe is sound, based upon the revenues that we have been collecting.

The use tax produces approximately 10 percent of the actual sales tax revenue collected within the district.

Mr. Carr. Do you have a local option for the sales tax, or was this part of a State law, or how does it work?

Mr. Cipolla. It is a regional tax for the district that was voted on and confirmed by the district, the people that reside within the district.

Mr. Carr. You testified about the mass transit/IVHS, but what other plans are there for IVHS in the Denver area?

Mr. Hotard. I don't believe we have any additional plans.

Mr. Cipolla. If I could elaborate a little bit on Mr. Hotard's testimony, we did just recently receive this grant in conjunction with the Colorado Department of Transportation. What it does is effectively—more effectively utilize the GPS, the Global Positioning System, on our Automatic Vehicle Locating System, and will interact with the high-occupancy vehicle lane we are building in conjunction with CDOT and FTA.

It will give people actual time for delays and improve the actual communications for people at the airport, at two of our major stations, and at two of our major parking garage locations, along with actual time delays assignage within the I–25 HOV corridor.

Mr. CARR. Does it have a traffic management system?

Mrs. SCHROEDER. I don't think we could really say so.

Mr. CIPOLLA. We are building one.

Mrs. SCHROEDER. We are trying.

Mr. CIPOLLA. Quite frankly, this is a giant step, I think, in that direction.

Mr. CARR. I would just offer the observation that intelligent vehicle highway systems is going to be a big item in the next few years. I think it is—the speed with which this comes on is going to be fairly dramatic, and for some quite unexpected.

Obviously, this committee is being asked to finance all manner of fixed-guideway systems all over the country, and we have to do so based on what tend to be rather promotional ridership forecasts. We are also finding that the overall problem of mobility is going to be heavily impacted by IVHS. It is not going to be the total solution for a community and it is not going to put transit systems out of work, but it does possibly alter the market for transit in a very dramatic way.

We don't want to get the cart before the horse as we try to finance these large fixed capital, fixed-guideway systems. So we need to know more about—and I know this is probably not in your department, if you will—but we need to know more about what the Colorado DOT and what the Denver area in particular are doing about IVHS and what their plans are. And even recognizing their plans may be pretty skimpy today, my guess is within two years they will be fairly significant, if they are like the rest of the country.

Mrs. SCHROEDER. Mr. Chairman, as you know, in my other hat, because you and I started there, on Armed Services, I am now chairing Research, Development and Conversion, and of course IVHS is one of the key things we are trying to convert out of military technology into the civilian side, as we try and throw things over the fence from the military side to the civilian side and upgrade this.

We had a conference in Denver three weeks ago where the Department of Transportation appeared and talked a lot about how they are trying to move to IVHS and what their hopes are to move all of this along, and they really are keyed into how they have got to be doing this, because you can't just keep running the kind of transit systems that we have got without it, and especially with the airport factoring in and all the other things in the congestion, which gets worse by the hour. So that we really are working on it very rapidly.

We should have someone from DOT come and talk to the committee about it. We would like to talk to you about where we can go with ARPA, if we can ever get this coordinated, to move this technology. I think it is terribly important, you are absolutely right.

Mr. CARR. That is just by way of letting you all know that we are taking all this into account, part of our problem is that there is a phasing of things, and the questions we have are, wouldn't it be somewhat wise to wait and see where IVHS is and the contribution it makes to overall mobility before we begin to start laying down tracks and knowing exactly—so that we can better anticipate the future?

Would you contemplate using any Section 9 money for your local match?

Mr. HOTARD. Not at this time.

Mr. CARR. Your HOV lanes, are they HOV–2, 3?

Mr. HOTARD. You mean passengers? That has not been determined.

Mr. CARR. I do this to everybody, I am not picking on you.

Mr. HOTARD. That is all right.

Mr. CARR. I would encourage you, if you go higher than two, to make it three or capacity. We have a lot of two-passenger vehicles these days and we don't want to alter unduly market decisions people might make about what kind of vehicle they purchase. And if they are filling their vehicle to its capacity, they are doing what they can. That vehicle pays highway taxes as well.

It has been a little while since I have driven on I–25. Is there room there for a movable barrier system? Have you looked at that?

Mr. CIPOLLA. No, there would have to be another lane or another construction element there. Are you talking within the corridor—within the current highway itself?

No, there is not. Unless we actually take away a lane. Now I am talking in the south segment of I–25.

Mr. CARR. Does your agency have control over HOV lanes and movable-barrier-type devices, or is that all Colorado DOT?

Mr. CIPOLLA. It is all Colorado DOT. They actually have the final authority over that. Even within construction of the HOV lane, there is a cooperative intergovernmental agreement that is worked out on that use and utilization.

Mr. CARR. Do you have the authority to operate at the airport in Stapleton?

Mr. HOTARD. Yes, we do.

Mr. CARR. Do you have much in the way of paratransit operations going on in the Denver area?

Mr. HOTARD. We actually have I think one of the leading paratransit operations in the country. Ninety-five percent of our vehicles are lift equipped today. Currently, as are many companies in the country, we are in the process of implementing ADA, and we intend frankly to privatize our ADA service.

Mr. CARR. I take it you are doing that because you want to do that? You haven't been requested to do that by FTA?

Mr. HOTARD. We think it makes good business sense.

Mr. CARR. Has anybody at FTA ever requested you do that?

Mr. HOTARD. No.

Mr. CARR. What is the vintage of your buses, average vintage?

Mr. HOTARD. Good question.

Mr. CIPOLLA. About five and a half to six years. We are on the street right now with another bus bid.

Mr. CARR. How many?

Mr. CIPOLLA. Eighty buses in this next bid.

Mr. CARR. Would it make any sense for the national government to do what Pennsylvania used to do and have a national bus bid, and instead of granting money, grant buses?

Mr. CIPOLLA. I think it is certainly an alternative that could be looked at closely. There are certain requirements unique to certain areas such as a vehicle that may need certain types of equipment in Denver may not necessarily be needed in Phoenix or such.

Mr. CARR. What would that be?

Mr. CIPOLLA. Air conditioning versus evaporative coolers on buses, different types of transmissions for operation in mountains versus a flat-land type of a bus.

Mr. CARR. But you think——

Mr. CIPOLLA. Certain variations.

Mr. CARR. You think maybe the Congress ought to look at doing a national bus procurement? The advantage, of course, is that we have a lot of bus manufacturers who have, you know, they are busy one year and the next year the order bank is depleted and they are laying people off, and they can't predictably manage their resources.

As a result, a lot of transit properties aren't getting the efficiencies of the bid, and of course super large systems like Chicago and New York, they can always put out an order at any time for lots of buses, and they can get really good prices, and then someone who is going out to bid for 30 buses or 20 buses really can't.

Mr. CIPOLLA. Two things, Mr. Chairman, that we are doing is looking more closely into multi-year bus bids, and certainly if FTA would encourage that type of an application, that would be helpful, both to the transit property and to the bus manufacturer. It would help us standardize our inventory and perhaps even reduce that type of an inventory. And it would certainly be very, very useful to the bus manufacturers by having that long-term type of a commitment.

Mr. CARR. What are your plans to serve the new Denver airport?

Mr. HOTARD. Right now we have $6.5 million in new service that we intend to provide to the airport. We are engaged in public forums right now to determine the final configuration of that. We intend to provide full service to the air portion on opening day.

Mr. CARR. Does your research tell you whether the people who ride the buses, say, right now to Stapleton and perhaps the new airport, would be largely the employees at the airport, or do we actually need to worry about——

Mrs. SCHROEDER. With $80 cab fares, there is going to be a terrific passenger load, I think. It really is going to be very difficult and the road infrastructure is not quite what we would like to see out there, to be perfectly candid.

Mr. CARR. Are you going to have to configure your buses for baggage?

Mr. HOTARD. Yes.

Mr. CARR. Is that contemplated?

Mr. HOTARD. Yes, it is. We have had tremendous communication from the public, even beginning with the early stages of development of DIA, that they expected RTD to provide high quality of service to the airport to meet that need, anticipating that there would be infrastructure issues for automobiles, parking costs, and, as Representative Schroeder pointed out, the high cost of private transportation.

Mr. CARR. How many employees does RTD have?

Mr. HOTARD. One thousand one hundred, approximately.

Mr. CARR. That is all the questions I have.

I might just indicate to you, I know that in the past you have had a number of other items before the committee, and I think we would probably like to hear from Colorado DOT and whatever the Denver authority is so that we can try to take a look at the integrated mobility problems in the greater Denver area.

Mrs. SCHROEDER. We appreciate that, Mr. Chairman. And one of our problems is while we have all sorts of counties in RTD and we are trying to work in a mobilized area, it is interesting that Denver ends up being the pushing force a lot of times. And I think you are right, DOT would be a very appropriate one to have in here too because they can be a coordinator. We will pass that message on.

Mr. CARR. The gentleman from Texas.

Mr. COLEMAN. Thank you, Mr. Chairman.

I am going to be real limited in time this morning. I was just curious, Douglas County's population growth you cited as being very high. What is the population of Douglas County, approximately? That is a feeder route into that corridor, as I understand it.

Mr. CIPOLLA. It actually runs through three counties. Douglas is the farthest county south and then it comes into Arapahoe and then Denver.

Mr. COLEMAN. How far is it in distance from downtown?

Mr. CIPOLLA. Approximately 9 to 10 miles along that corridor. It is all railroad right-of-way.

Mr. COLEMAN. That is where the largest growth is occurring?

Mr. CIPOLLA. It is occurring in that Southeast, Southwest Corridor, yes, sir.

Mr. COLEMAN. I didn't have any other questions.

Mr. Chairman, thank you.

Mr. CARR. Thank you for being with us.

Mrs. SCHROEDER. Thank you.

[Supplemental information and a response to Hon. Frank Wolf's questions follow:]

Regional Transportation District

1600 Blake Street
Denver, Colorado 80202-1399
303/299-2002

RTD

Board of Directors

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William C. Womack, District I

May 14, 1993

The Honorable Robert Carr
U.S. House of Representatives
2347 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Carr:

I am sending you the attached information as a supplement to my March 29, 1993 testimony before the House Appropriations Committee Subcommittee on Transportation:

- The schedule for the Southwest Transit Corridor Preliminary Engineering and Alternatives Analysis
- A Supplemental Earmark Request for RTD to purchase additional buses, and
- A summary of our Intelligent Vehicle Highway System (IVHS) project

I would also like to clarify my response to two questions raised during my testimony:

- RTD currently employs 1,748 full-time employees and 190 part-time employees.
- RTD has recommended that the Colorado Transportation Commission permit vehicles with two or more occupants to use the North I-25 Bus/High Occupancy Vehicle Lane. The Colorado Transportation Commission has the authority to set the minimum occupancy for a high occupancy vehicle pursuant to Colorado State statutes.

Thank you again for the opportunity to testify before your subcommittee and your consideration of our request. If you would like further information regarding our request, please feel free to contact me or RTD's General Manager, Mr. Peter Cipolla.

Thank you for your support.

Sincerely,

Kenneth N. Hotard

Kenneth N. Hotard
Chairman, RTD Board of Directors

KNH:FS:jal

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Regional Transportation District

RTD

1600 Blake Street
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303/628 9000

SCHEDULE FOR SOUTHWEST TRANSIT CORRIDOR PRELIMINARY ENGINEERING

March, 1994	Alternatives Analysis and Locally Preferred Alternative Report are Completed.
May, 1994	Preliminary Engineering Begins.
May, 1995	Preliminary Engineering and Final Environmental Impact Statement Completed.

May 12, 1993

SOUTHWEST CORRIDOR ALTERNATIVES ANALYSIS SCHEDULE OF REQUIRED PRODUCTS

PRODUCT/MILESTONE	**DELIVERY DATE**
Task 1.0 (Project Scoping)	
TAC and SWAT Memberships and Mailing Lists	May 11, 1992
Notice of Intent	November 13, 1992
Public Scoping Meetings	December 31, 1992
Draft E.I.S. Outline	February 5, 1993
Final Project Goals and Objectives	April 15, 1993
Final Scoping Summary Report	May 17, 1993
Detailed Work Plan and Schedule	May 17, 1993
Conceptual Definition of Alts. Report	May 24, 1993
Draft E.I.S. Chapter: Purpose and Needs Statement	June 10, 1993
Task 2.0 (Alternatives Development)	
Physical Design Standards	January 29, 1993
Preliminary Operations Plan	April 19, 1993
Alts. Refinement & Screening	April 22, 1993
Detailed Definition of Alternatives Report	September 1, 1993
Task 3.0 (Analysis Methodology)	
Methodology Report: Air Quality Impact Assessment	May 24, 1993
Methodology Report: Public Involvement	May 24, 1993
Methodology Report: Capital Costing	June 15, 1993
Methodology Report: Financial Capability	June 15, 1993
Methodology Report: Operating and Maintenance Cost	August 4, 1993
Methodology Report: Evaluation of Alternatives	August 5, 1993
Methodology Report: Patronage Forecasting	July 2, 1993
Methodology Report: Social, Economic, and Environmental Impact Assessment	July 8, 1993

Task 4.0 (Analysis and Evaluation of Alternatives)

Conceptual Engineering Plan and Profile Drawings	June 14, 1993
Results Report: Capital/O & M Costs	August 19, 1993
Final Definition of Alternatives Report	September 14, 1993
Results Report: Service/Patronage Forecasting*	October 31, 1993
Technical Memorandum: Sensitivity Analysis*	October 31, 1993
Results Report: Environmental Impacts Analysis & Mitigation	November 16, 1993
Draft E.I.S. Chapter: Evaluation of Alternatives	November 17, 1993
Results Report: Financial Feasibility Plan	November 23, 1993

Task 5.0 (Draft Environmental Impact Statement Preparation)

The D.E.I.S. will consist of the following chapters:

Purpose and Needs	June 10, 1993
Alternatives Considered	August 31, 1993
Affected Environment	September 14, 1993
Transportation Impacts	October 30, 1993
Environmental Consequences	November 16, 1993
Financial Analysis & Evaluation of Alternatives	November 17, 1993

Draft Environmental Impact Statement**	December 16, 1993
Public Hearing	February 17, 1994
Locally Preferred Alternative Report	March 2, 1994

* The timing of the two Patronage Forecasting tasks is critical to the completion of the SWAA under this schedule. Both of these tasks rely heavily on the DRCOG process for the adoption of the Interim 2015 Regional Transportation Plan. Since DRCOG will be responsible for final model runs utilizing the UTPS mainframe, RTD is dependent upon DRCOG staff availability and the DRCOG Board adoption process for the 2015 Interim Plan.

** From the time the Local Lead Agency (RTD) transmits the final draft of the DEIS to FTA, until the time FTA sends the document to EPA for publication of a Notice in the Federal Register, past experience has shown this takes a minimum of 30 days and a maximum of 60 days. After publication in the Federal Register, there is a mandatory 30 day circulation period before a public hearing can be held.

Regional Transportation District

RTD

1600 Blake Street
Denvar, Colorado 80202-1399
303/628 9000

DENVER REGIONAL TRANSPORTATION DISTRICT
SUPPLEMENTAL FISCAL YEAR 1994 EARMARK REQUEST

Nine new transit buses will be purchased to replace nine 1981 GMC transit buses which will have reached or exceeded their 12 year life at the time of replacement. The buses to be replaced are becoming more costly to maintain and do not meet 1993 EPA emissions standards. The new buses will meet the 1993 EPA standards and will be equipped with wheelchair lifts to comply with ADA regulations.

Nine new intercity buses will be purchased to replace nine MCI coaches which range from 1969 to 1974 models. The buses to be purchased will be equipped with wheelchair lifts which will increase the accessibility of RTD's fleet and compliance with ADA regulations since the vehicles to be retired are not accessible. The new buses will also meet the 1993 EPA emissions standards which will serve to improve air quality in the region. These buses will be used for intercity service, including service to the new Denver International Airport. The funds for acquiring these buses can be obligated within 90 days.

Transit Buses

•Nine buses at $210,000 each	=	$1,890,000
•Project management and inspection	=	37,800
•Buy America Audit	=	24,655
		$1,952,455

Intercity Buses

•Nine buses at $329,159 each	=	$2,962,430
•Project management and inspection	=	60,460
•Buy America Audit	=	24,655
		$3,047,545
TOTAL	=	$5,000,000
Earmark Request (80% of Total)	=	$4,000,000

May 12, 1993

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1600 Blake Street
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RTD IVHS OPERATIONAL TEST PROGRAM

Overview

RTD has been selected by the U.S. Department of Transportation (USDOT) for an operational test project in the national Intelligent Vehicle Highway System (IVHS) program. RTD is in partnership with the Colorado Department of Transportation (CDOT) and Westinghouse Electric Corp. to initiate an operational test. The purpose of the project is to assess the influence of providing actual travel time information and evaluate whether or not an informed traveling public will choose transit travel over the automobile.

The operational test will provide real-time bus departure information at the Denver International Airport (DIA), four transfer stations, two park-n-Rides, and selected Eco Pass subscriber companies using data generated from the Automatic Vehicle Locator (AVL) system currently being installed in all RTD buses. At DIA, passengers will be able to find out when buses are leaving for the various destinations served from DIA and obtain information about bus system operation and about the various destinations. At transfer stations and park-n-Rides, schedule information will be provided for all routes serving the facilities.

Selected Eco Pass companies will be provided with bus traveler assistance, including timetables for all routes and other bus traveler information, to be shared throughout each Eco Pass company. Another group of Eco Pass companies would be given the bus traveler assistance plus a phone link to the RTD operations center for actual bus schedule information and alternative travel route options.

Project Status

A detailed work scope and project budget must be negotiated with the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA). It is estimated that a contract will be signed and notice to proceed given in late spring of 1993. The project will last approximately two years.

Project Benefits

It is expected that the demonstration project will establish IVHS technology as a powerful tool to increase traveler safety, reduce roadway congestion, improve traveler mobility, enhance economic productivity, and enhance energy efficiency and environmental quality. If the demonstration project is successful, the project could be expanded throughout the 2,306 square mile RTD District.

May 12, 1993

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1600 Blake Street
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RESPONSE TO REPRESENTATIVE FRANK WOLF'S QUESTIONS FOR PUBLIC WITNESSES TESTIFYING BEFORE THE HOUSE TRANSPORTATION APPROPRIATIONS SUBCOMMITTEE

1. Question: What organization would be the recipient of the federal funds requested?

   The Denver Regional Transportation District (RTD) would be the recipient of the federal funds.

2. Question: How much money are you requesting from this subcommittee for FY 1994?

   RTD is requesting $4.8 million of federal funds from the Subcommittee for Fiscal Year 1994.

3. Question: What will these funds be used for?

   RTD will use these funds to conduct Preliminary Engineering for the Southwest Transit Corridor.

4. Question: Are you requesting any funds for non-construction purposes? If yes, what would these funds be used for?

   These funds will indirectly be used for construction purposes. They will be used to conduct Preliminary Engineering for the Southwest Transit Corridor. This project will refine the design of the locally preferred transit alternative and develop more precise estimates of project costs and impacts prior to actual design.

5. Question: What impact does this project have on our national transportation network, or any other federal purpose, which would justify the request for funds from this subcommittee?

   The Preliminary Engineering project will lead to the implementation of a rapid transit project in the Southwest Corridor. This project will address regional and national goals relating to:

   - attainment of air quality standards
   - promotion of energy conservation
   - improvement of mobility and reduction of traffic congestion.

6. Question: For FY 1993, what is the total amount of federal funds that this organization received, and what activities were funded by these amounts?

In Fiscal Year 1993, RTD will receive and expend federal funds for the following projects:

•Transit Operating Assistance	$7,043,000
•Purchase 77 New Transit Buses	11,957,000
•Purchase Bus Radios	128,000
•Purchase Major Spare Bus Components	36,400
•Purchase 20 New Intercity Buses	4,130,000
•Purchase Computer Equipment	185,000
•Conduct Americans with Disability Act Training	31,250
	$23,510,650

In Fiscal Year 1993, RTD will also expend federal grant funds approved in previous years for the following projects:

•North I-25 Bus/High Occupancy Vehicle Lane	$18,317,000
•Methanol Bus Demonstration Program	6,800
•Mall Shuttle Buses	2,693,000
•Compressed Natural Gas Bus Demonstration Program	8,900
•District Wide Communication System Upgrade	6,400,000
•Southwest Transit Corridor Alternatives Analysis	946,700
•Training Programs	50,000
	$51,636,050

7. Question: Has the project received federal funds in prior years? In what fiscal years were those funds received and in what amounts?

RTD received $1.4 million in April, 1992 from the Federal Transit Administration to conduct the Alternatives Analysis phase of the Southwest Transit Corridor project.

8. Question: Will you be seeking additional funds from this subcommittee for this project in the future?

RTD will probably seek additional funds from the House Transportation Appropriations Subcommittee in the future for construction of the Southwest Transit Corridor project. The decision whether to seek funds from the Subcommittee will be based on the results of the Alternatives Analysis and Preliminary Engineering phases of this project.

9. Question: What is the total expected cost of the project? What percentage of the total cost of this project would be funded by the federal government?

The total expected cost of the Southwest Transit Corridor project will be identified in the Preliminary Engineering phase of the project. The percentage of total project cost to be funded by the federal government has not been determined.

10. Question: How much state, local, or private funds will be used for this project?

RTD will use $1.2 million of local funds to conduct the Southwest Transit Corridor Preliminary Engineering project. In addition, RTD is spending $360,000 of local funds for the Alternatives Analysis phase of this project. RTD has also purchased 11 miles of right-of-way for the Southwest Transit Corridor project, using $7.5 million of local funds. RTD's Metro Area Connection light rail project, which will connect the Southwest Transit Corridor project to the Denver Central Business District, is being developed with $105 million of RTD local funds. The amount of further expenditure of RTD local funds will be based on the transit technology selected for implementation in the Southwest Transit Corridor.

11. Question: Are you seeking funds this year from any other federal source, or any other appropriations subcommittee for this project, or for any other project?

RTD is not seeking funding from any other federal source or through any other appropriations subcommittee for this project. As for other activities, RTD is seeking the following:

In Fiscal Year 1993, RTD is seeking the following federal funds:

For Fiscal Year 1993

•Intelligent Vehicle Highway System Demonstration Project	$1,000,000
•Automatic Vehicle Locator System Demonstration Project	630,000
•Particulate Trap Retrofit Program	2,669,000
•Hallack Junction Park-n-Ride Expansion	1,125,000
•U.S. 36 Bus/High Occupancy Vehicle Lane	3,500,000
•ECO Pass Research Project	300,000
	$ 9,224,000

For Fiscal Year 1994

•Transit Operations Assistance	$7,070,000
•Training Program	50,000
•Formula Grant Funds for Farebox Replacement, Transit Station Improvements and Twin Forks Park-n-Ride Relocation	7,259,000
	$14,377,000

12. Question: If the project for which you are seeking federal funds from this subcommittee is a highway project, where does it rank on the state's priority list?

    As the Southwest Transit Corridor is not a highway project, it is not ranked on the state's highway priority list.

13. Question: If the project is a transit project, does the general public in your area support the project?

    The Southwest Transit Corridor project is supported by the general public, municipal and county governments, the Colorado Department of Transportation and the Denver Regional Council of Governments, the Metropolitan Planning Organization for the Denver region.

14. Question: Has there been any public financing mechanisms initiated at the state and/or local level to help fund this project (highway or transit), such as a dedicated gas tax increase or a bond referendum? If so, please provide the specifics, and, in the case of any proposed bonding authority, please indicate the results of placing this project before the public.

    No new public financing mechanisms have been used for the Southwest Transit Corridor project. No new taxes or tax increases have been imposed. No bonds have been issued. RTD is utilizing the use tax part of its 0.6 percent sales and use tax to finance rapid transit project development.

May 12, 1993

MONDAY, MARCH 29, 1993.

UTAH TRANSIT AUTHORITY (UTA)

WITNESSES

HON. KAREN SHEPHERD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH

MAYOR DEEDEE CORRADINI, OF SALT LAKE CITY, UTAH

JOHN C. PINGREE, GENERAL MANAGER, UTA

Mr. CARR. Our next witness is Karen Shepherd, our colleague from Salt Lake City, Utah, together with the Mayor of Salt Lake City, Utah, DeeDee Corradini.

Nice to see you, Karen. I will turn it over to you for introductions. Your statements will be included in full in the record. I ask that you summarize.

Ms. SHEPHERD. Thank you very much, Mr. Chairman. It is a pleasure to have the opportunity to testify here today because we have several important requests to make of this committee.

First, of course, I would like to introduce DeeDee Corradini, who is the Mayor of Salt Lake City, and John Pingree, who is the General Manager of the Utah Transit Authority.

We are here today to support two important projects that the authority is proposing for inclusion in the fiscal year 1994 transportation appropriations bill. The first request is for $6 million for the final design of a light rail project to be constructed in the Union Pacific right-of-way. That right-of-way has already been purchased.

The second is a request for $6.84 million for three bus category projects. This is comprised of $4.24 million for the construction of a maintenance facility for specialized buses which serve disabled individuals in our community; $1.6 million for two park-and-ride facilities; and $1 million for the construction of a transit center in the western part of Salt Lake County.

These bus and rail projects will balance our system and it is a balance the system badly needs, because the rail will allow us to serve the I–15 corridor more efficiently than buses now can, and certainly with a lot less pollution, and the buses, meanwhile, will be freed up to serve areas that are desperately in need of bus service right now.

So with your permission, Mr. Chairman, Mayor Corradini will speak to you in support of the request for the final design of the light rail project.

Mr. CARR. Mayor, welcome.

Ms. CORRADINI. Thank you. Good to be here.

Thank you, Representative Shepherd, and you, Mr. Chairman, for opportunity to speak in support of the Utah transportation's request for $6 million for final design of a light rail line.

I also support the authority's request for the $6.84 million for the bus maintenance facility, the two park-and-ride lots, and the transit center.

The light rail project will be located in the Union Pacific right-of-way purchased last month by the authority. It will connect downtown Salt Lake City with commercial centers and residential areas to the south.

The 15-mile project will be constructed at grade at a total cost of $180 million, or just $12 million per mile. A map showing the location of the rail line was included in the materials given to the subcommittee last week.

Let me give you a brief history of the project.

First, I want to thank this subcommittee for its generous support of this project over a long period of time. Funds totaling $21.31 million have been appropriated over the past six fiscal years. Of this amount, $19.1 million have been obligated by the Federal Transit Administration and virtually all of this money has been used by the authority.

The unobligated balance of $2.1 million will be used for final design. We are not bank-rolling Federal money, but instead putting it to good use.

The 1991 ISTEA legislation authorized $131 million for this project. Last year, the transit authority developed a $300 million package of rail and bus improvements. This package would have required a doubling of the existing quarter cent sales tax needed to generate local revenue for construction and operations.

Last November, as you know, the voters in Salt Lake County defeated the tax proposition. My analysis is that most negative voters were against a tax increase rather than against transit improvements. This judgment is supported by an opinion poll taken in December of last year. The poll reported 64 percent in favor of a first phase light rail project if it could be built and operated without raising local taxes, 25 percent against, and you will probably be hearing from some of the very vocal opponents, an 11 percent with no opinion or an equivocal answer.

The board of the transit authority agrees with this analysis and shares my belief that it is essential that we move forward with transit improvements.

Last month, the authority purchased the right-of-way from the Union Pacific Railroad for $18.5 million. The board also asked the authority's staff to develop a first phase light rail project which could be built and operated within the revenue generated from the existing quarter cent sales tax and to defer the bus improvements.

A first phase light rail project with a total construction cost of $180 million has been developed. The proposed Federal share is 80 percent, including both Section 3 and 9 funds.

The authority's request to the subcommittee today is for $6 million for the final design of $180 million light rail project.

I would like now to quickly highlight the merits of the project. First, construction costs are 12 million per mile. This cost is low compared with many other light rail projects because ours is a no-frills, at-grade project located in an existing rail right-of-way, and it is the shortest possible segment connecting downtown Salt Lake with land for a maintenance yard.

Second, operating costs will be low. The authority's operating costs are among the lowest in the nation.

Third, the project is cost effective because ridership will be substantial compared to costs.

Fourth, a reduction in air pollution will be made in the Salt Lake Valley.

As you know, Mr. Chairman, Salt Lake City sits in a valley surrounded by mountains. This causes inversion layers to form in the valley, trapping dangerous pollutants for weeks at a time. Salt Lake has been classified by the EPA as a non-attainment area for exceeding standards of carbon monoxide, ozone and PM–10. Construction of a light rail system and improvements to our bus system will help reduce this very serious air pollution problem.

Fifth, a substantial number of job opportunities will be created during the peak years of construction from about 1995 through 1999.

The light rail project has great merit and I support inclusion of $6 million for final design in the fiscal year 1994 bill. I also support inclusion of $6.84 million for the bus maintenance facility, the two park and ride lots, and the transit center.

The political leadership and opinion leaders in our community support the light rail project and the three improvements to our transit system. The metropolitan planning organization endorsed these projects by an 11 to 1 vote. The rail project has been endorsed by the Salt Lake County Commission and by the editorial boards of our local newspapers, which I will share with you for the record.

Mr. Chairman, let me now ask Congresswoman Shepherd to describe the authority's request for $6.84 million for the bus facilities.

Thank you.

Ms. SHEPHERD. Thank you, Mr. Chairman.

In some ways these two parts I am going to talk about now are the most important parts to the community because they serve some very, very urgent and immediate needs for that community.

This is the request for three bus category projects. The first is a $4.24 million request for the construction of a maintenance facility for specialized vehicles which serve the disabled members of our community.

Currently, we have 38 specialized vehicles which are operated by the transit authority. During the next two years, 17 will be added, and this will permit the number of daily riders to increase from 600 today to 1,000. In the following two years, 20 additional vehicles will be needed to bring this fleet to 75 in order to do that.

The new facility for 75 specialized buses is needed because the existing facility, which will continue to be used to maintain the growing fleet of standard buses, simply does not have sufficient capacity to maintain the expanding, very specialized fleet.

The new facility will actually reduce maintenance costs by alleviating current storage problems and by using—and the use of inappropriate lifts and equipment for the repair of small vehicles at the current facility, which was designed primarily to repair large buses.

This project will help the transit authority improve social services to the disabled members of our community, those who rely almost exclusively on the transit authority for mobility.

Planned explanation of the specialized bus fleet, of course, is a key component Salt Lake's plan to meet the mandates of the Americans With Disabilities Act. This project is ready to go. We have done the engineering, the design, the land acquisition, the site preparation. It will all be done this year with funds expected from an FTA grant from the supplemental 1993 appropriation.

Construction can actually begin in September. If funds can be included in report language on the fiscal year 1994 appropriations bill, a substantial number of well-paid job opportunities will be created in Utah to help stimulate the nation's recovery.

We are also, of course, suffering from base closing in Utah, so this will be very helpful to us.

The second project are two park-and-ride lots that will be located in the light rail corridor. The location of these two projects is shown on the maps which were included in the project description given to the subcommittee staff last week.

The parking lots can accommodate 660 cars. The Federal cost of this project is $1.6 million. In the short run, these facilities will provide park-and-ride service to and from the central business district on express buses operating on I–15. This will help build a market in the long run for future light rail services, and the facilities will eventually provide park-and-ride service via light rail line.

In the short run, these park-and-ride lots will allow better bus service because bus capacity is full on I–15, and we need the park-and-ride lots to increase bus capacity. The demand for park-and-ride service in Salt Lake valley is strong and there is need for more express bus service on the I–15 corridor.

The project will be ready to go in fiscal year 1994, creating a substantial number of additional well-paid construction job opportunities.

The third project is a transit center to be located in the western part of Salt Lake County. The Federal cost would be $1 million. The center would serve a transfer point between local bus routes and express bus routes destined to the central business districts and to other activity centers.

This project has great merit. It will increase transit ridership, stimulate economic development near the center, and facilitate a modest reduction in air-polluting emissions from trips diverted to automobiles.

The transit center will be ready for construction this fall, and like the other projects, if funds can be included in the report language, employment opportunities will be created this year to make a contribution to the nation's economic recovery.

More detailed information and explicit justification for Federal support for both the light rail and the bus projects is contained in the project descriptions given to the subcommittee staff last week.

With your permission, Mr. Chairman, my written testimony and the reports containing this additional detail should be made a part of the record.

Before we conclude here, Mr. Chairman, I would like to introduce John Pingree, the General Manager of the Utah Transit Authority, to adjust a brief statement.

Mr. CARR. Mr. Pingree.

Mr. PINGREE. Thank you very much, Mr. Chairman. My statement is very brief.

I realize in working with your staff that funding is limited; there is approximately $2 chasing every dollar you have available.

But we believe our project has merit for the following reasons: One is it is very low cost, at $12 million a mile. As a transit system, we have worked very, very hard to try to keep our costs down, and we believe we operate based on the Section 15 data that we compare to, on the motorbus only, one of the most efficient, effective transit systems in the country.

I base that on operating expenses per passenger mile, where we are number one, at 21 cents operating expense per passenger mile. If I look at per passenger trip, we are number three, at $1.32.

In the category of service efficiency, the operating expense is at 2.52, that is number two in the Nation. And operating expense per vehicle hour, revenue hour, is at $45.60, which is number four.

So we have worked very, very hard to keep our costs down. We believe we can do this project for what we are estimating, at $180 million. Also, we do have an area where we—we live in an area where we do have air pollution.

The people from Denver were talking to you about their problems. We have the same problem. We live in a valley surrounded by mountains, and in the winter we have a significant air quality problem.

We have started to address that by having compressed natural gas buses that we have ordered. We have five in service right now and we have 10 more we have received CMAC funds for. We have tried to work with UDOT and the Metropolitan Planning Organization to address this problem.

[The prepared statements of Mayor Corradini, Hon. Karen Shepherd, and Mr. Pingree follow:]

Testimony by Deedee Corradini, Mayor of Salt Lake City before the House Transportation Appropriations Subcommittee on March 29, 1993.

Thank you Representative Shepherd, and you Mr. Chairman, for the opportunity to speak in support of the Utah Transit Authority's request for $6 million dollars for final design of a light rail line. I also support the Authority's request for $6.84 million dollars for the bus maintenance facility, the two park-and-ride lots, and the transit center.

The light rail project will be located in the Union Pacific right-of-way purchased last month by the Authority. It will connect downtown Salt Lake City with commercial centers and residential areas to the south. The 15 mile project will be constructed at-grade at a total cost of $180 million dollars, or just $12 million dollars per mile. A map showing the location of the rail line was included in the materials given to the Subcommittee staff last week.

Let me give you a brief history of the project.

First, I want to thank this Subcommittee for its generous support of this project over a long period of time. Funds totaling $21.31 million dollars have been appropriated over the past six fiscal years. Of this amount, $19.1 million dollars has been obligated by the Federal Transit Administration and virtually all of this money has been used by the Authority. The unobligated balance of $2.1 million will be used for final design. We are not bankrolling federal money but instead putting it to good use.

The 1991 ISTEA legislation authorized $131 million for this project.

Last year, the Transit Authority developed a $300 million package of rail and bus improvements. This package would have required a doubling of the existing ¼ cent sales tax needed to generate local revenue for construction and operations. Last November, the voters in Salt Lake County defeated the tax proposition.

My analysis is that most negative voters were against a tax increase rather than against transit improvements. This judgement is supported by an opinion poll taken in December of last year. The poll reported 64 percent in favor of a first phase light rail project if it could be built and operated without raising local taxes, 25 percent against, and 11 percent with no opinion or an equivocal answer. The Board of the Transit Authority agrees with this analysis and shares my belief that it is essential that we move forward with transit improvements.

Last month, the Authority purchased the right-of-way from the Union Pacific Railroad for $18.5 million dollars. The Board also asked the Authority's staff to develop a first phase light rail project which could be built and operated within the revenue generated from the existing ¼ cent sales tax and to defer the bus improvements. A first phase light rail project with a total construction cost of $180 million dollars has been developed. The proposed federal share is 80 percent, including both Section 3 and 9 funds.

The Authority's request to the Subcommittee today is for $6 million dollars for the final design of a $180 million dollar light rail project.

I would like now to quickly highlight the merits of the project.

First, construction costs are $12 million dollars per mile. This cost is low compared with many other light rail projects because ours is a no-frills, at-grade project located in an existing rail right-of-way, and it is the shortest possible segment connecting downtown Salt Lake with land for a maintenance yard.

Second, operating costs will be low. The Authority's operating costs are among the lowest in the nation.

Third, the project is cost/effective because ridership will be substantial compared to costs.

Fourth, a reduction in the very dangerous air pollution will be made in the Salt Lake Valley. As you know, Mr. Chairman, Salt Lake City sits in a valley surrounded by mountains. This causes inversion layers to form in the Valley, trapping dangerous pollutants for weeks at a time. Salt Lake has been classified by the EPA as a non-attainment area for exceeding standards for carbon monoxide, ozone and PM 10. Construction of a light rail system and improvements to our bus system will help reduce this very serious air pollution problem.

Fifth, a substantial number of job opportunities will be created during the peak years of construction from about 1995 through 1999.

The light rail project has great merit and I support inclusion of $6 million for final design in the FY 1994 Bill. I also support inclusion of $6.84 million for the bus maintenance facility, the two park-and-ride lots, and the transit center.

The political leadership and opinion leaders in our community support the light rail project and the three improvements to our transit system. The Metropolitan Planning Organization endorsed these projects by an 11 to 1 vote. The rail project has been endorsed by the Salt Lake County Commission, and by the editorial boards of our local newpapers.

Mr. Chairman, let me now ask Congresswoman Shepherd to describe the Authority's request for $ 6.84 million dollars for bus facilities.

Testimony by Congresswoman Karen Shepherd Before the House Transportation Appropriation Subcommittee on March 29, 1993.

I strongly support the Utah Transit Authority's request for $6.84 million dollars for three bus category projects. The requested federal grant ratio is 80 percent.

The first is $4.24 million dollars for the construction of a maintenance facility for specialized vehicles which serve disabled members of our community.

Currently 38 specialized vehicles are operated by the Transit Authority. During the next two years 17 more will be added. This will permit the number of daily riders to increase from 600 today to 1,000. In the following two years 20 additional vehicles will be needed bringing the total fleet to 75.

A new facility for 75 specialized buses is needed because the existing facility, which is used to maintain a growing fleet of standard buses, does not have sufficient capacity to maintain the expanding specialized fleet.

A new facility will actually reduce maintenance costs by alleviating storage problems and the use of inappropriate lifts and equipment for the repair of small vehicles at the current facility, which was designed to repair large buses.

This project will help the Transit Authority improve social service to the disabled members of our community, who rely on transit for mobility. Planned expansion of the specialized bus fleet is a key component in Salt Lake's plan to meet the mandates of the Americans With Disabilities Act.

The project is ready to go. Engineering, design, land acquisition and site preparation will be accomplished this year with funds expected from a FTA grant from the supplemental 1993 appropriation. Construction can begin in September. If funds can be included in report language on the FY 1994 Appropriation Bill, a substantial number of well-paid job opportunities can be created quickly this fall to help stimulate the nation's economic recovery.

The second project is two park-and-ride lots located along the light rail corridor. The location of the projects is shown on the maps which were included in the project description given to the Subcommittee staff last week. The parking lots can accommodate 660 cars. The federal cost of this project is $1.6 million dollars.

In the short run, these facilities will provide park-and-ride service to and from the central business district on express buses operating on Interstate 15. This will help build a market for future light rail service. In the longer run, the facilities will provide park-and-ride service via the light rail line.

The demand for park-and-ride service in the Salt Lake Valley is strong and there is a need for more express bus service in the I-15 corridor.

The project will be ready to go early in FY 1994, creating a substantial number of additional well-paid construction job opportunities.

The third project is a transit center to be located in the western part of Salt Lake County. The federal cost would be $1 million dollars. The center would serve as a transfer point between local bus routes and express bus routes destined to the central business district and to other activity centers.

This project has great merit. It will increase transit ridership, stimulate economic development near the center, and facilitate a modest reduction in air polluting emissions from trips diverted from automobiles.

The transit center will be ready for construction this fall. Like the other two projects, if funds can be included in the report language, employment opportunities will be created this year to make a contribution to the nation's economic recovery.

More detailed information and explicit justification for federal support for both the light rail and these bus projects is contained in project descriptions given to the Subcommittee staff last week. With your permission, Mr. Chairman, my written testimony and the reports containing additional detail on these projects should be made part of the record.

Before concluding our testimony, Mr. Chairman, I would like John Pingree, the General Manager of the Utah Transit Authority, to add a brief statement.

Testimony by John Pingree, General Manager of the Utah Transit Authority, before the House Transportation Appropriations Subcommittee, March 29, 1993

Thank you Congresswoman Shepherd, and you Mr. Chairman, for this opportunity to add my testimony.

I know, Mr. Chairman, that the requests to the Subcommittee for the funding of new starts far exceeds the available funds, and that one of the factors the Subcommittee will use to evaluate proposals is the amount local communities are proposing to overmatch above the 20 percent minimum. Our proposed local contribution of 20 percent for the light rail project may not compare well against some of the competing proposals with respect to the overmatch factor.

If the proposition to increase the local sales tax had passed last November, we were prepared to propose a 50-50 split of construction costs. It is my hope that the proposition will be put again to the voters. If the proposition passes, it is our intention to substantially overmatch future requests for buses and for any improvements or extensions to the present project.

I hope the Subcommittee will take this promise into account and recognize the very substantial merits of the project described to you by Mayor Corradini when marking up the Appropriations Bill.

I would be happy to answer any questions you may have.

3/25/93

DESCRIPTION OF THE SALT LAKE CITY LIGHT RAIL PROJECT AND THE NEED FOR FEDERAL FUNDS FOR *FINAL DESIGN*

Project Description

The Utah Transit Authority (UTA) is proposing to build a 15-mile, at-grade light rail line connecting downtown Salt lake with suburbs to the south. The rail line will be located in a right-of-way recently purchased by the Authority. The location of the project is shown on the attached map. The total capital cost of the project is estimated to be $180 million in 1992 dollars.

Request for FY '94

The federal cost for final design is $8 million. About $2 million remains available from the FY '93 appropriation. The net request, therefore, is inclusion of $6 million in the FY '94 transportation appropriation bill. These funds would be used for final design of a light rail project.

History of Federal Support

In November 1991, the Intermodal Surface Transportation Act (ISTEA) authorized $131 million in federal funds for the project. Negotiations have been initiated with FTA to secure a full funding grant agreement.

The total appropriated by the Congress from FY 1988 through FY 1993 was $21.31 million. The total obligated by FTA is $19.10 million for preliminary engineering and right-of-way acquisition. The current unobligated balance is $2.21 million. A grant application to FTA, including $2.21 million for final design, has been prepared which will bring the unobligated balance to zero.

The Section 3 cost to complete the project is $125.44 million. The calculation of the cost to complete is as follows: $131 million authorized by ISTEA minus the two subsequent appropriations of $2.56 million in FY 1992 and $3 million in FY 1993.

Local Financing

The Utah Transit Authority currently has a dedicated source of revenue from a 1/4 cent sales tax collected in Salt Lake County. This is sufficient to construct and operate the project with an 80 percent federal match for construction.

It should be noted that the current project is a scaled-back version of an earlier project, which would have required additional local revenue generated from a 1/4 cent increase in the sales tax. A proposition on the ballot last November to increase the tax was defeated. The Board of the Transit Authority then divided the original project into two phases. Phase 1 is the light rail project for which final design funds are being sought from the Subcommittee. Phase 2 is a substantial increase in the present level of bus service. Phase 2 will be deferred until additional sources of local revenue can be secured.

Phase 1 can be constructed within the $131 million Section 3 authorization in ISTEA.

Status of the Project

1. *Preliminary engineering on the project is underway and will be completed in July 1993.*
2. *The UTA Board of Directors has authorized proceeding with final design of the project.*
3. *The project has been reviewed favorably by the Metropolitan Planning Organization and has been included in the Transportation Improvement Program.*
4. *FTA approval of a Final Environmental Impact Statement and the issuance of a Record of Decision is expected in October of this year.*
5. *A full funding grant agreement is expected to be executed by FTA and the UTA in November.*
6. *By December of this year, approval of the grant could be made by FTA, consultants selected and work begun on final design. The project, therefore, will be ready to go by the end of this calendar year.*

Merits of the Phase 1 Light Rail Project

Construction costs are low. The construction cost of this no-frills project is low compared to many other light rail projects. The total capital cost will be $180 million. The cost per mile is $12 million. This cost per mile compares favorably with light rail projects in Portland, Sacramento, San Jose, Pittsburgh and Los Angeles. Table 1 shows the cost comparisons.

Operating costs are low. The Authority's current operating cost is among the two or three lowest in the nation. The light rail project will be operated with exceptional efficiency.

Ridership is substantial. Currently, over 200,000 total trips per day are being made in this corridor with projections over 250,000. This large increase in traffic will continue to strain the existing transportation system. Significant traffic congestion is anticipated.

The project is estimated to carry 17,500 daily riders. About one-third of these will be diverted from parallel bus routes. There will be substantial travel time savings for diverted bus riders and new rail riders. For example, a 22% decrease in travel time is expected for the rider from the Sandy area to downtown Salt Lake City. Transit ridership estimates were prepared by the top professionals in the country (Parsons Brinckerhoff Quade & Douglas) using approved FTA procedures.

The project is cost/effective. *Ridership and travel time savings are reasonably high compared to relatively low construction costs. This makes the project cost/effective. The federal cost/effectiveness index is $6.75.*

Air quality and highway congestion will be improved. *The Salt Lake Valley experiences frequent temperature inversions and severe air pollution. The area is classified as a non-attainment area by the EPA for exceeding the carbon monoxide, ozone and PM10 standards. The project will contribute to the reduction of air pollution in the Valley, and also will help reduce current and future congestion on the I-15 Interstate Highway.*

High-wage job opportunities will be created. *Final design of the project will create 75 high-skill, high-wage jobs beginning in January 1994. This will be particularly beneficial as highly skilled engineers and other defense workers are laid off in the Salt Lake area. Construction of the light rail project in the longer run will create 1,000 construction jobs during the peak construction period, 1995 through 1998. The average annual wage for these jobs is estimated to be $30,000.*

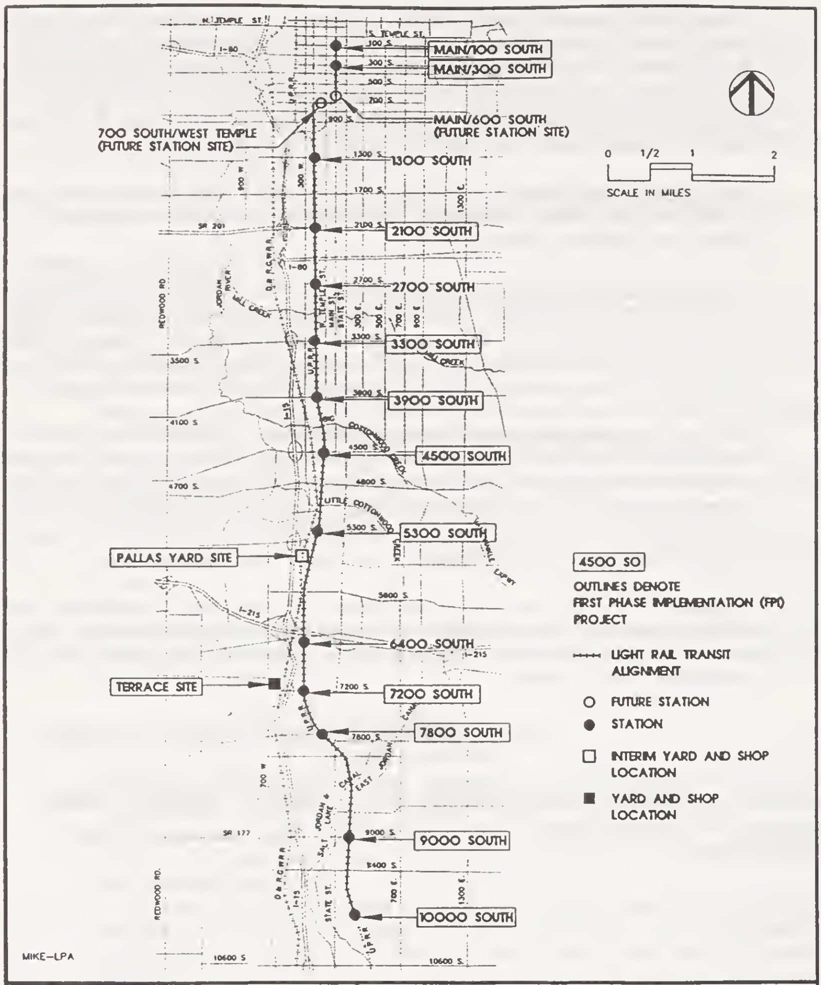
In short, *the Salt Lake project is cost effective and has merit. Construction and operating costs will be low, ridership will be substantial, modest improvement will be made in air quality and congestion relief, and a substantial number of high wage job opportunities will be created.*

SUMMARY OF SYSTEM UNIT COSTS FOR LRT PROJECTS*

	**Salt Lake	Portland	Sacramento	San Jose	Pittsburgh	Los Angeles	Average
Total Project Cost Per Route Mile	$12.0	$18.6	$8.9	$21.5	$40.1	$36.6	$25.1
Percent of System At Grade	98%	65%	96%	99%	66%	81%	

Salt Lake costs expressed in 1992 dollars. All others in 1990 dollars.

Source:
* *U.S. Department of Transportation Light Rail Transit Capital Cost Study, UMTA-MD-08-7001, April 1991.*
** *Utah Transit Authority estimates.*



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I-15/STATE STREET CORRIDOR PROJECT
FINAL ENVIRONMENTAL IMPACT STATEMENT

AMENDED
LOCALLY PREFERRED ALTERNATIVE
LIGHT RAIL TRANSIT SYSTEM

FIGURE

DESCRIPTION OF THE PROPOSED SALT LAKE CITY *BUS MAINTENANCE FACILITY* AND THE NEED FOR FEDERAL FUNDS

Project Description

The Utah Transit Authority (UTA) proposes to build a maintenance facility for special, low-floor transit vehicles used to provide service to disabled persons in the Salt Lake area. The facility will also provide work space for the dispatchers of these vehicles and facilities for the drivers. The total cost of the facility is $7.8 million. The federal share is $6.24 million.

Federal Funds Requested

An application for $6.24 million is pending before the Federal Transit Administration (FTA). Two sources of federal financing are identified. The first is $2 million from supplemental FY '93 economic stimulus funds for preliminary engineering, land acquisition, design and site preparation, because this part of the project can be quickly put under contract by April 30th. The second is $4.24 million from the regular FY '94 transportation appropriation.

Status of the Project

An environmental assessment and public hearing will be completed by April 16th. The site is located in an industrial area with no apparent land use conflicts.

The project has been reviewed by the Metropolitan Planning Organization and has been included in the appropriate Transportation Improvement Program.

An application for the project is pending with FTA. The facility will be designed and built on an accelerated schedule. Preliminary engineering, design and site preparation can begin by May 30th and construction can begin by mid-September, 1993.

Merits of the Project

> *Transit service to the disabled will be improved.* *Transit service provided by the UTA is important for citizens disabled by physical handicap or age. Currently, over 600 trips per day are made by disabled passengers in 38 vehicles. UTA's approved ADA plan calls for the deployment of 17 additional vehicles in the next two years permitting an increase of daily passenger trips to 1000 persons. During the following two years, the fleet probably will be increased by an additional 20 vehicles. Construction of a facility to maintain and dispatch 75 vehicles is necessary to expand this needed service.*

The maintenance of all small buses will be inproved. *The existing Central Division maintenance facility services both standard sized buses and the smaller vehicles used for service to the disabled. The existing facility does not have the capacity to service the expanding fleet of standard vehicles and the expanding fleet of small vehicles. There is inadequate space to store the small vehicles and they cannot be hooked up to engine block heaters in winter which requires the engines to be constantly idled during cold nights. There is inadequate space to store spare parts. The lack of capacity and storage at the existing facility justify the construction of the new facility for a fleet of small, specialized vehicles.*

Work space for dispatchers will be improved. *Transit service for the disabled requires the separate dispatch of vehicles. Special training is required for drivers to provide good service to disabled persons. Current space for the dispatchers and for training is inadequate. The new facility will provide adequate space and facilities.*

New job opportunities will be created. *Construction of the new maintenance facility will create a total of 45 new job opportunities, including 30 short-term engineering and construction jobs. These short-term jobs will be well paid, averaging $30,000 per year. The UTA estimates that 45 additional, permanent job opportunities will be created, including 40 new drivers and mechanics. These jobs also will be well paid, averaging $25,000 per year.*

All available FY '92 and FY '93 flexible highway funds and apportioned transit funds have been programmed. *Surface Transportation Program (STP) and Congestion Management and Air Quality (CMAQ) funds have been programmed for other highway and transit projects. All of the FY '93, potential FY '93 supplemental and FY '94 Section 9 apportioned funds have been programmed to other needed projects.*

Requirements of the ADA legislation will be satisfied. *Construction of the new facility will help the UTA meet the mandated requirements of the federal Americans with Disabilities Act.*

The project is ready to go. *Work can begin on the engineering, design and site improvement phase of the project by May 30, 1993. Construction can begin in September.*

DESCRIPTION OF THE PROPOSED SALT LAKE CITY *PARK-AND-RIDE FACILITIES* AND THE NEED FOR FEDERAL FUNDS

Project Description

The Utah Transit Authority (UTA) is proposing to acquire land and construct two park-and-ride facilities in the I-15 corridor. The lots would accommodate over 660 cars. Drivers bound to or from the Salt Lake central business district would park in the lots and transfer to express bus service operating on Interstate 15. The maps on pages 9, 10 and 11 show the proposed facilities. The total cost of the facilities is $2.0 million. The federal cost is $1.6 million.

Federal Funds

The UTA is requesting the inclusion of $1.6 million of Section 3 bus category funds in the FY 1994 transportation report for two park-and-ride lots.

Status of the Project.

The project has been reviewed by the Metropolitan Planning Organization and is incorporated in the I-15 corridor project in the Transportation Improvement Program.

Engineering and design of the facilities is under way and will be completed by August 1993.

Consultations with local officials and the community have been extensive. Environmental impact requirements will be completed in September 1993.

An application for $1.6 million is pending before the Federal Transit Administration.

The project will be ready for construction in October of this year.

Merits of the Project

> *There is a demand for more express bus service. The UTA now operates express buses on Interstate 15. They are well patronized, currently filling the buses during the rush hours. The demand for additional express service is limited by the availability of park-and-ride spaces. Construction of these two facilities will provide 660 additional parking spaces.*
>
> *There is a need for more express bus service in the corridor. Congestion on Interstate 15 is severe (level of service is rated poor by the Utah Department of Transportation). The proposed park and ride will reduce the rate of congestion increase.*

A market for light rail services can be built. During the first few years of operation, the ridership on express buses will be increased, which then will shift to the light rail system, when it becomes operational late in the decade.

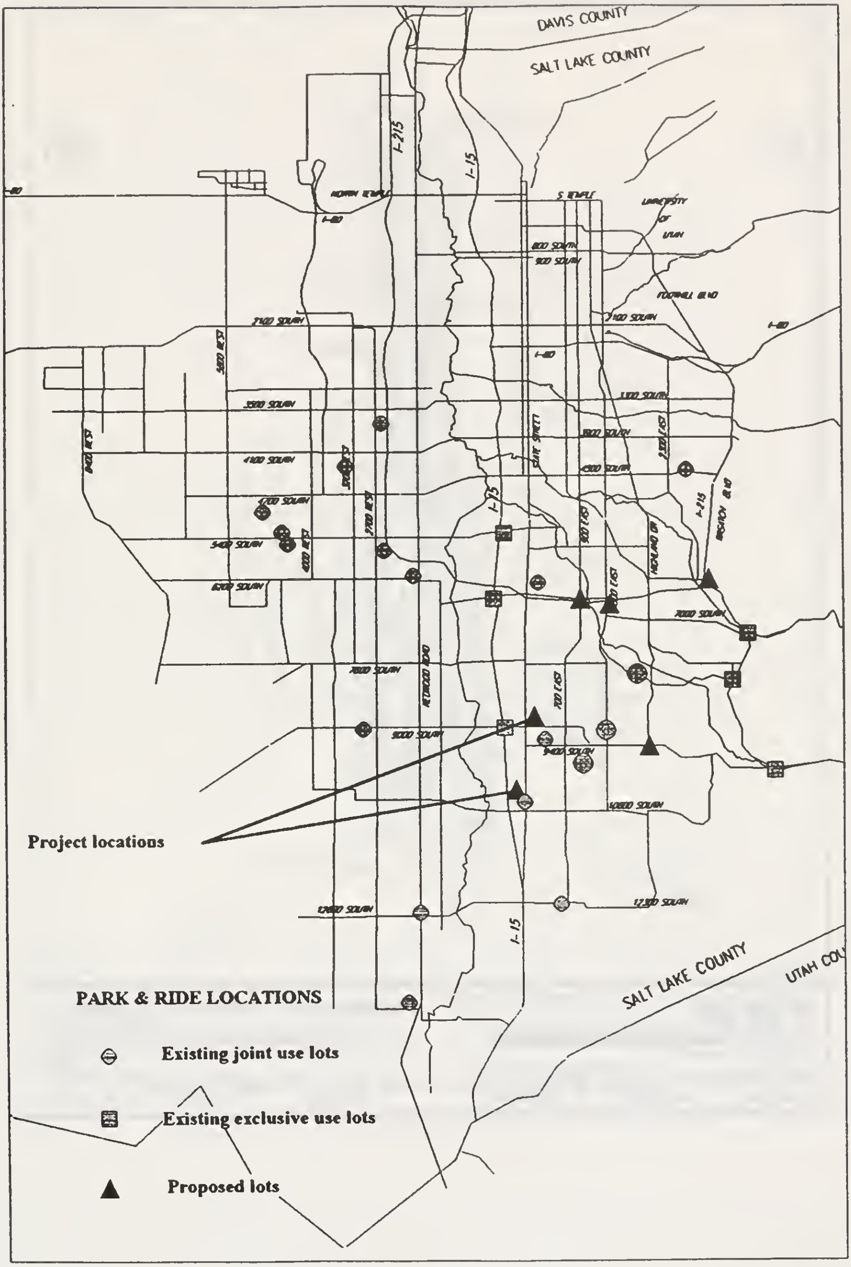
Pressures for development is intense. The UTA needs to acquire land for the project soon. One of these sites is in private ownership and there is pressure to develop the property. Without the power of eminent domain, to avoid losing the location forever to development, the property needs to be acquired now.

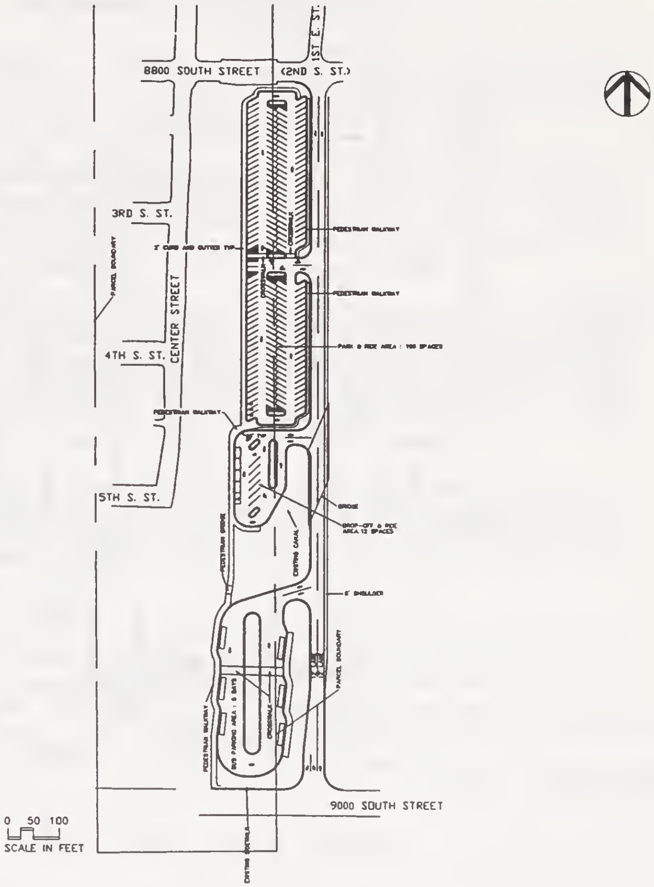
Air Quality will be improved and energy conserved. The Salt Lake Valley experiences frequent temperature inversions and severe air pollution. This area is classified as a non-attainment area for carbon monoxide, ozone and PM_{10} *by the EPA. The Project will contribute to the reduction of air pollution. Energy will be conserved by diverting trips from automobiles.*

All available FY '93 and FY '94 Section 9 formula and flexible highway funds have been programmed. All of the additional Section 9 funds expected from the FY '93 supplemental economic stimulus package and from the FY '94 apportionment have been programmed for bus purchases. A reasonable amount of Surface Transportation Program and Congestion Management and Air Quality Mitigation funds have been allocated to transit for FY '94.

Well paid job opportunities will be created. Thirty (30) short-term construction job opportunities will be created paying an average annual wage of $30,000. Additional well paid permanent job opportunities will be created in FY '94 for additional drivers, maintenance and related support staff. The average annual wage for these permanent employees will be $25,000.

Summary. There is a need for park-and-ride, express bus service in the Interstate 15 corridor. The demand or more service is limited primarily by the lack of park-and-ride lots. Increasing the use of express buses builds a market for the future introduction of light rail service. Well paying job opportunities will be created early in FY '94. The project has merit. $1.6 million should be included in the FY '94 transportation appropriation reports.


DAVIS COUNTY
SALT LAKE COUNTY
I-215
I-15
I-80
NORTH TEMPLE
I-80
S TEMPLE
UNIVERSITY OF UTAH
800 SOUTH
900 SOUTH
FOOTHILL BLVD
2100 SOUTH
2100 SOUTH
I-80
3600 WEST
I-80
3500 SOUTH
3300 SOUTH
8400 WEST
STATE STREET
3900 SOUTH
2300 EAST
4100 SOUTH
4500 SOUTH
I-15
I-215
WASATCH BLVD
4700 SOUTH
2700 WEST
5400 SOUTH
4000 WEST
900 EAST
1300 EAST
HIGHLAND DR
6200 SOUTH
7000 SOUTH
7800 SOUTH
REDWOOD ROAD
700 EAST
9000 SOUTH
9400 SOUTH
10600 SOUTH
Project locations
12600 SOUTH
12300 SOUTH
I-15
SALT LAKE COUNTY
UTAH COU
PARK & RIDE LOCATIONS
⊖ Existing joint use lots
⊞ Existing exclusive use lots
▲ Proposed lots



FEIS90

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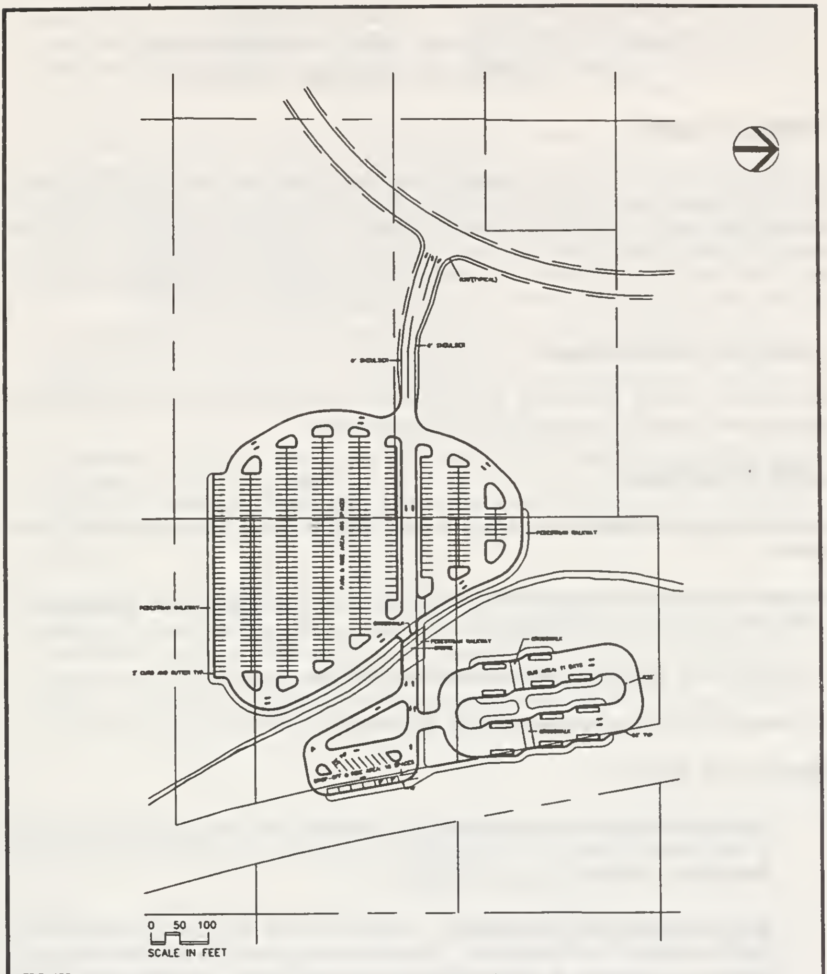
I-15/STATE STREET CORRIDOR STUDY-TRANSIT

9000 SOUTH STREET STATION

FIGURE

10



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I-15/STATE STREET CORRIDOR STUDY-TRANSIT

SOUTH TERMINUS
(10000 SOUTH) STATION

FIGURE

11

DESCRIPTION OF THE SALT LAKE CITY *TRANSIT CENTER AT WEST VALLEY CITY* AND THE NEED FOR FEDERAL FUNDS

Project Description

The Utah Transit Authority (UTA) is proposing to build a transit center in the rapidly growing area of Salt Lake County in West Valley City. The center will provide for 8 bus bays and a park-and-ride facility for 225 cars, a covered waiting area and some convenience commercial activity. The multi-modal center will provide a transfer point for local and express bus service, and a focal point for taxi service. The location has good access to the arterial street system. The total cost of the project is $1.25 million. The federal share is $1,000,000.

Request for Federal Support

The UTA is requesting inclusion of $1,000,000 in the reports on the FY '94 transportation appropriation reports for the construction of a transit center.

Status of the Project

Engineering and environmental work is underway which is expected to be completed in the summer of '93.

The project has been reviewed by the Metropolitan Planning Organization and is included in the Transportation Improvement Program.

An application for $1,000,000 has been transmitted to FTA.

The project will be ready for construction in the fall of 1993.

Merits of the Project

> *The project will increase transit ridership.* *The transit center will focus local bus routes so that express service can more efficiently be provided, reducing travel times between destinations, and thus increasing ridership.*
>
> *Economic activity will be stimulated.* *The center will be the focus of park-and-ride, feeder bus routes and taxi service. The brief waiting times for transfers will afford patrons an opportunity to make purchases from nearby firms, and then continue their journey. In this way commercial activity will be stimulated, producing related employment opportunities and increases in the local tax base.*
>
> *This project will be prototype for Salt Lake County.* *The concept of transit hubs has*

worked well in several other areas in the nation and it shows great promise for the Salt Lake Valley. A plan to construct a series of these centers is being prepared for locations throughout the UTA service area. The West Valley City project will serve as a demonstration of the concept's benefits before other centers are replicated.

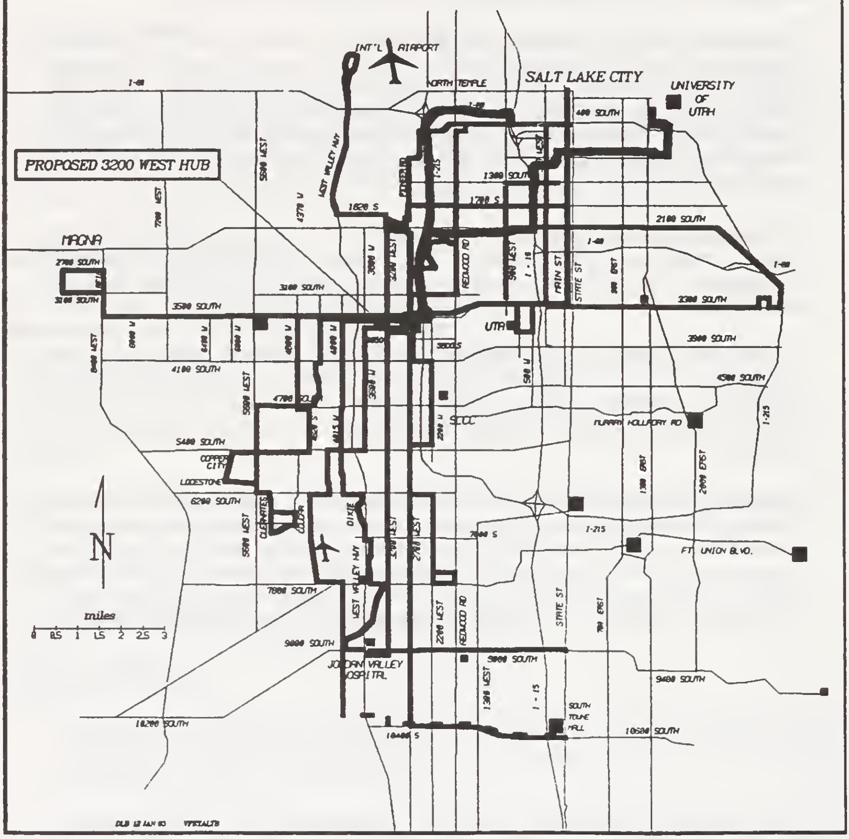
The efficiency of UTA operations will be improved. Currently, most UTA west side routes pass through this common point as they travel to the Salt Lake City central business district. The site is adjacent to a major north-south expressway. By hubbing west side routes into this center and operating freeway express shuttle service to the Salt Lake City central business district, significant operational efficiencies can be obtained while at the same time reducing travel times to the central business district and improving connecting trips to other parts of the county.

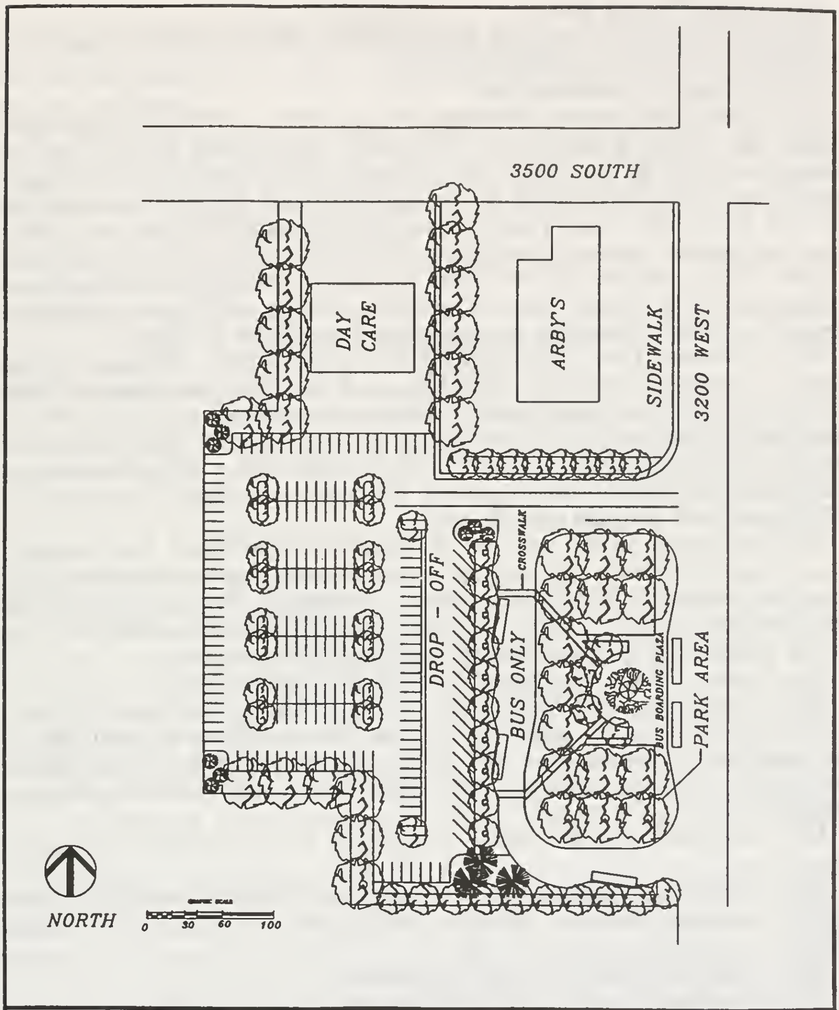
Air quality will be improved and energy conserved. The Salt Lake Valley experiences frequent temperature inversions and severe air pollution. The Project will contribute to the reduction of air pollution. Energy will be conserved by diverting some trips from automobiles.

All available Section 9 apportionments and flexible highway funds have been programmed. All of the additional Section 9 funds expected from the FY '93 supplemental economic stimulus package have been programmed to purchase needed buses. A reasonable amount of flexible highway funds also have been programmed for transit use.

Summary. The proposed transit hub has great merit. The project will increase transit ridership, economic activity will be stimulated, operating efficiencies realized, a small contribution to energy conservation and air quality will be made, well paying job opportunities will be created, and the project can demonstrate the utility of the concept before it is replicated to form a network of transit centers in the Salt Lake Valley. Inclusion of $1,000,000 is warranted in the FY '94 transportation appropriations report.

WEST SALT LAKE COUNTY "HUB" CONCEPT





UTAH TRANSIT AUTHORITY

PLANNING DEPARTMENT

DRAWN BY: JIM THORNE
DATE: MARCH 25, 1993

NAME OF DRAWING:
WEST VALLEY TRANSIT CENTER

FIGURE

Mr. CARR. Thank you.

On that last point, you are familiar with the FTA's 3(j) report? We don't have one for this year——

Mr. PINGREE. I understand.

Mr. CARR [continuing]. Because of the delay in filling the government. We do have last year's 3(j) report, which said that in the estimation of FTA, the Salt Lake Region is a moderate nonattainment area, but then went on to indicate that air quality analysis for the draft EIS—and I don't know what draft EIS they are referring to, maybe you can help me—found that the alternatives—and I take it this applies to the light rail here—would reduce regional emissions by no more than 1 percent, and would have negligible impact at local receptors; do you have a response to that?

Mr. PINGREE. Yes, I am familiar with that report. We are talking about a segment of 15 to 16 miles, and the first segment of light rail is not going to significantly change the overall quality of air in the valley, where you have industry and thousands of miles of roads inputting to the problem, and we have got a 16-mile segment that is going to have an impact of 1 percent on overall air quality. We think that is quite significant.

But compared to the overall, it sounds insignificant, but in reality, 16 miles of light rail can have an impact. And we believe once the first segment is in, and proves successful, that as you add to that system, you will have a greater impact because people will be using essentially a nonpolluting transportation source.

Mr. CARR. What is the population of Salt Lake City?

Ms. CORRADINI. The Salt Lake Valley is three quarters of a million people, but Salt Lake City proper, this north-south rail line is so important because Salt Lake City proper doubles its population during the day, and people are using that north-south route constantly.

Mr. CARR. What is the work population at the various work centers?

Ms. CORRADINI. Downtown, it is between 350,000 and 400,000 per day, I mean in terms of daytime population, downtown Salt Lake City.

Mr. CARR. What is the work population?

Mr. PINGREE. I can't give you that information directly. I know the major—in our area, the problem we struggle with is that we are long and narrow. And everybody makes an east-west, which is the short part of the trip, and the long part of the trip is the north-south. And what the light rail addresses, and our bus system, frankly, right now, is a north-south system, is to carry people on the long part of that trip in public transit.

By putting in the light rail, we, in essence, become the freeway, the high-speed link that encourages people to use public transit. That is one of the incentives that we believe will have great persuasive ability in getting people to use public transit, is it will be faster than the freeway or their personal car in the year 2010, which is the year we are projecting it to.

Mr. CARR. What are the main work centers along this chart that I have here?

Mr. PINGREE. Salt Lake City is the main work center, and most of the people live in the south part of the valley or the west part, so they must come to Salt Lake City for work. Other suburbs, you will see communities of Sandy, Midvale, Murray, all are work centers. At the west part of the valley we have industrial parks that are work centers.

The valley, like most communities in this country, has gone through a suburbanization, and jobs are located all the over the valley. But the primary work centers are the University of Utah, which is east of Salt Lake City, within the boundaries of Salt Lake City, and downtown Salt Lake City.

Mr. CARR. If you could supply the work population of Salt Lake, that would be helpful.

It seems as though the answer to your referendum was to eliminate the overmatch. That seems to be the summation of what I am hearing today; is that fair?

Mr. PINGREE. That is the problem. We have reserves that allow to us make a 20 percent match at UTA, but the original plan would have been a much more expensive system, it would have been a $300 million. We have now cut that back to $180 million so that we can take our reserve of 20 percent and match to the $13 is million that is in the authorization, and that way build a minimum segment.

But yes, you are accurate in your statement. We would hope in future projects that we would be able to go back to the voters once they see the value of public transit and a rail system, and get an additional quarter percent that could be used to do overmatch.

Mr. CARR. Well, our dilemma here, of course, we have been encouraging, and with great success, communities to overmatch, and that gets points with this committee, and that is endorsed by our new Secretary of Transportation and the authorizing Chairman, Congressman Norm Mineta, agrees with that. We are fairly unanimous in Congress about the need for communities to think about overmatch.

Your referendum kind of tells me that the folks in the Salt Lake valley just don't want to do that. It is always easy, and I don't quarrel with you on the polls, it is not terribly difficult to find someone who wants to get a service but if somebody else pays for it, not that there wouldn't be a contribution, obviously, locally, but it is very, very difficult to find people who—well, I might take that back.

It is not hard, in communities throughout America, to find people who are willing to pay more.

Ms. CORRADINI. Could I elaborate on that, Mr. Chairman?

I have been meeting with the other mayors in the valley on the whole issue of transportation, and part of the reason that the referendum failed is because some of the people on the west side of the valley who do not feel they would be directly impacted by light rail, opposed the referendum because they felt they were not going to get the additional bus service that they want, regardless of what happened on light rail. So we have been working together with UTA, with all the mayors throughout the Council of Governments in Salt Lake County to try and see if we can't satisfy those communities by increasing their bus service.

I had several of the mayors who opposed it recently tell me if they could be satisfied over the next year that we will, in fact, service them better with bus service, they will come on board in the light rail system. And two of the mayors who opposed it said they are not opposed to light rail per say, they just want to make sure they are going to get additional bus service.

So I do feel as though, if we can get this next design money, we have an ambitious program to work together as a COG this next year to put together our total transportation plan to everybody's satisfaction, and they are willing to jump on board, if they are satisfied on the light rail issue. So do I see hope for the future.

I guess my second reaction to be would be, having spent a fair amount of time in Portland and having gone through the history of how that was built, it sounds like Salt Lake is deja vu, because there were similar arguments against, it and now the popularity of that system is 95-plus. I think we, hopefully, would be headed down the same track in Salt Lake City.

Mr. CARR. I hope you would, too. We just don't have enough money to build a lot of stuff on the basis that that might happen. There are some areas where it doesn't.

I don't know these mayors on the west side of the valley. They haven't communicated with me. But my own experience in these matters tells me that their instincts are probably right.

In my own home State, we have seen bus service has been cannibalized to feed the black hole of a light rail system. So there are enough examples of that occurring around the country where mayors, community leaders that are not directly affected by the fixed guideway get a little nervous that their buses, that are their lifeline, won't be taken care of and nurtured the way it ought to be.

So I would think that taking care of them and taking care of their concerns would be an important thing not only for them but probably for this committee, too.

You mentioned that there are some base closings going on up there. What is the—what are the bases? I don't mean to increase your agony by talking about it, and I don't have a brief for one base or the other, it is not my business, my business is to try and figure out where the market for transportation service is, and where is it going to be in the future. What are the bases?

Ms. SHEPHERD. Dewila Army Depot is being closed, as far as we know, and it is a remanufacturing place where they take outdated, outmoded, and broken-down equipment and remanufacture the engines and put them together again and make them run again at two-thirds the cost of the original—of buying or building a new one. So they are closing that.

It will ripple out, we think, to 10,000 jobs in the community. It is 2,300 jobs that will be lost from the depot.

Mr. CARR. Is National only one?

Ms. SHEPHERD. Yes.

Mr. CARR. Compared to some areas of the country, that is fortunate.

Ms. SHEPHERD. Well——

Mr. CARR. What is the overall job growth, economic growth picture in Salt Lake, in the region?

Mr. PINGREE. It is very positive. We have been growing in terms of the transit system, I can give you those kind of numbers, at about 5 percent in our ridership and our revenue. The fair box is up, also.

I might just talk a little on the last point you raised on overmatch. I don't think philosophically we are against that concept, and have overmatched on bus service this last year. Our difficulty right now is that we have come this far on this project, and had the vote passed. We were willing to go 50–50 and made that commitment.

Now we don't have the funds for that, for this first segment. I think there is good evidence nationally that once the first segment gets in, you get very good support locally.

And by keeping this at a very low cost, $12 million a mile, which I think, I am not sure there is anybody that can match that right now in terms of projects, and carrying 17,500 riders, we can have maximum impact for the dollars spent once that is in and operating, we believe we will get support from the community for an additional quarter percent. We do have a dedicated tax source right now of one quarter of 1 percent. That is what operates the system.

So there is some commitment locally on the part of the people.

Mr. CARR. I understand there is local commitment. I must tell you, though, that the idea that people will come to it once they see what it is, is the camel's nose under the tent that has burned this committee in the past. Take a look at Detroit and Jacksonville, Florida, and Miami, some aspects of Miami, they don't all prove to be winners once you have the system up and running.

And that may be something good for people in the Salt Lake area to talk about. Frankly, it isn't very helpful here.

The ridership forecasts that you have, what are they based on?

Mr. PINGREE. FTA requires to us go through a process, and that process has been strictly adhered to, and we have followed that process. We have had professional people that have made those forecasts and they have been reviewed by an oversight group, as well as peers in the industry who we think are generally considered as conservative.

Mr. CARR. You were here when I inquired of the last panel of witnesses about IVHS. What are the plans for IVHS in Utah?

Mr. PINGREE. We have done something, I guess, that is a little different. He we have put in a communications system we developed ourselves, and estimates were that it would cost us about $2.5 million and we built it for $900,000. It does have the capability of adding automatic vehicle location, as well as passenger counting. That is going to cost us more money to do that.

We are looking right now at the smart fair box as probably a more effective way for us to move. But in terms of IVHS, as it develops within the country, we will use those technologies, but we don't want to be the pioneer too much in that. We want to watch and see how it develops, and once it is there and a proven technology, we will use it.

Mr. CARR. It would be helpful if you could get maybe a letter from Utah DOT to tell us in an overall sense, I know that may go beyond both the city and the transit property, but we would like to know a little bit about what Utah's plans are. Perhaps your own traffic management people, mayor—do you have a traffic management system?

Mr. Pingree. We do all the traffic and transportation planning for the entire region. If I understand your question, Salt Lake City has a very effective traffic management program in terms of how they move traffic throughout the city and direct traffic, and the council does that for the region. We participate in that process as a public transit system.

Mr. Carr. I see.

I can't recall. Does I–15 have HOV on it?

Mr. Pingree. Not at this point.

Ms. Corradini. UDOT is discussing that though. We have got major repairs to do on I–15, and that is one of our concerns because it has serious problems. And UDOT is planning now on making some major repairs. We need some major bridge repairs as well. And they are talking about a HOV lane.

Mr. Carr. What is the average vintage of your buses?

Mr. Pingree. We have got a pretty fleet. We have worked hard to maintain it. It is about 5.5 years.

Mr. Carr. Do you have any ideas about a national bus procurement program that would give you buses?

Mr. Pingree. I can see pluses and minuses to it, frankly.

Mr. Carr. What are the minuses?

Mr. Pingree. The minuses for us are we operate in a high altitude environment, and we operate—we have different kinds of services. We have services that are dedicated to, for example, people that are disabled. We also have a service that is a canyon service that will go from 4,000 feet in the valley to 8,000 feet up in the mountains. And during the winter, we operate that service and have about 22 buses dedicated to it. That takes a unique bus with redundant braking systems.

In that situation, it is hard to compromise to the particular application. But on the positive side, let me just tell you, I think there is a lot of advantage in trying to negotiate prices and even out the manufacturer of buses. I am sympathetic to the manufacturers' HOV feast and famine kinds of cycles. And I believe that if they could even that out, we would get a lot better production and better buses out of them.

But there are some unique factors to the buses and the delivery of service in each city.

Mr. Carr. Has anyone out there talked about park-and-ride facilities that would combine daycare?

Mr. Pingree. Yes. We have looked at that in terms of this project, the rail project. We see that daycare facilities would locate around those stations, especially further out, out in the south part of the valley. And that would be a logical place where the person would park their car, drop off their kids, and go in on public transit.

Mr. Carr. There has been no discussion, though, about having daycare—providing square foot space available inside the park-and-ride facilities themselves?

Mr. Pingree. No, not at this point. We see that as a private sector initiative. And we would make land—if there were land available, we would provide the land and let them use the land.

Mr. Carr. Are you familiar with what they are doing in Orlando, Florida?

Mr. PINGREE. Not with Orlando. But I have seen it in San Diego. And I am familiar with what is going on in San Diego.

Mr. CARR. Orlando seems to have provided some space—it is all private—but they provide the space inside the parking structures.

Well, thank you for being here. It is always nice to see you, Mayor.

Ms. CORRADINI. Thank you. Good to see you.

Mr. CARR. Boy, am I in trouble. Don't leave.

Mr. DeLay.

Mr. DELAY. No questions, Mr. Chairman.

Mr. CARR. That is going to cost me. I could tell by the way he said that. Mr. Wolf.

Mr. WOLF. Welcome to the committee. I will have a series of questions that we will just send to you, and request that you answer them. On the referendum, when was it, and what was the vote percentage?

Mr. PINGREE. It was in November of 1992. And it was 43 in favor, 57 against.

Mr. WOLF. 43 in favor, 57 against?

Mr. PINGREE. Percentage.

Mr. WOLF. Did you have a position during the referendum?

Ms. SHEPHERD. Did I have a position during the referendum?

Mr. WOLF. Yes.

Ms. SHEPHERD. It wasn't particularly an issue during my campaign, but I favor strongly the light-rail system. We are in desperate need of it in Utah, not in this 15-mile corridor, but all the way from Provo to Ogden, which is about 100 miles.

Mr. WOLF. Will there be another referendum scheduled? You were talking about meeting with the mayors.

Ms. CORRADINI. Not at the moment, we don't have another referendum scheduled.

Mr. WOLF. Thank you very much.

Mr. CARR. Once again, I apologize to my colleagues.

Mr. PINGREE. May I make one statement in another context?

Mr. CARR. Yes.

Mr. PINGREE. I serve as the Chairman of the Subcommittee for APTA on Equity, and we work very hard as a transit organization to see that—encourage that there be equity between Section 3 and Section 9. And the number of 1.36 dollars of nine to 1 dollar of three is something, as an industry, that we strongly support. And I know the APTA people are providing that information to you. But I would just like to say, from a person out in the hinterlands, so to speak, we very much support that concept.

Mr. CARR. Thank you very much.

[Response to the Honorable Frank Wolf's questions follows:]

QUESTIONS FOR PUBLIC WITNESSES TESTIFYING BEFORE THE HOUSE TRANSPORTATION APPROPRIATIONS SUBCOMMITTEE

Prepared by Congressman Wolf

1. What organization would be the recipient of the federal funds requested?

   Answer: The Utah Transit Authority

2. How much money are you requesting from this subcommittee for FY 1994?

   Answer: $6 million for final design of the light rail
   $6.84 million for three bus category projects comprised of:

   $4.24 million for a bus maintenance facility
   $1.60 million for two park and ride lots, and
   $1.00 million for a transit transfer center

3. What will these funds be used for?

   Answer: $6 million will be used for final design of a 15-mile light rail project located in the I-15 corridor connecting downtown Salt Lake City with activity centers and residential areas to the south. This transit project is part of a larger highway and transit improvement project which includes reconstruction of a segment of Interstate-15.

   $4.24 million will be used to construct a bus maintenance facility needed to service and dispatch specialized vehicles which serve persons with disabilities within the community.

   $1.60 million will be used to construct two park and ride lots with a combined capacity of about

600 spaces located in the I-15 corridor. The park and ride lots will be used first to feed express bus service and later, when the light rail project is operational, to feed the light rail line.

$1.0 million will be used to construct a transit transfer center in the western part of Salt Lake County. This will be a prototype for other centers which will facilitate the transfer of riders between local and express bus service.

4. Are you requesting any funds for non-construction purposes? If yes, what would these funds be used for?

Answer: Yes, the request for $6 million FY 1994 dollars is for final design of the light rail line. A very small portion of the bus category requests, not exceeding 5 percent, may be used for engineering design. The balance, or 95 percent, of the funds will be used for construction.

5 What impact does this project have on our national transportation network, or any other federal purpose, which would justify the request for funds from this subcommittee?

Answer: The light rail system will improve mobility for the disabled, reduce energy consumption and reduce polluting emissions in a non-attainment area, thus helping realize the objectives of the ADA Act, energy conservation, and the EPA emission standards for 1994 and beyond.

The project is substantially overmatched when considered with highway improvements which are a part of the same locally preferred alternative.

The light rail project will support the year 2002 Winter Olympic Games.

The maintenance facility will improve service to persons with disabilities, thus promoting the objectives of the ADA Act.

Both the park and ride facilities and transit transfer center will reduce energy consumption, air pollution emissions, and improve mobility of persons with disabilities. These projects will support the objectives of the Clean Air Act, the ADA Act, and the national objective of energy conservation.

6. For 1993, what is the total amount of federal funds that this organization received, and what activities were funded by these amounts?

Answer: In FY 1993, $3 million was included for land acquisition, engineering and design in the Committee Reports for the light rail system.

FTA made a grant for land acquisition for $12.5 million using the FY 1993 appropriation funds and prior year funds.

Also in FY 1993, $10.3 million was received from apportioned Section 9 funds used for bus capital and operating expense, including buses and vans for persons with disabilities.

Finally, $2.4 million of CMAQ funds were transferred from the Federal Highway Administration to purchase 10 alternative fuel buses and 20 vans for use in vanpool service.

7. Has the project received federal funds in prior years/ In what fiscal years were those funds received and in what amounts?

Answer: Yes, a total of $21.16 million has been appropriated in the six fiscal years 1988 through 1993. A total of $106,470 was set aside (or skimmed off by FTA for project management oversight and for other reasons) making the total appropriations available of $21.053 million. Of this amount, $19.1 million has been obligated (or granted) by FTA. The attachment prepared by FTA gives the year-by-year detail on these funds. During the forthcoming negotiations with FTA on the full funding grant agreement, the skimming of funds for project management oversight from the $131 million ISTEA authorization may be disputed.

8. Will you be seeking additional funds from this subcommittee for this project in the future?

Answer: Yes. The ISTEA legislation authorized $131 million for the light rail project. After deducting the FY 1992 appropriation of $2.56 and the FY 1993 appropriation of slightly less than $3 million, the Section 3 cost to complete the project is $125.44 million. The Utah Transit Authority will be requesting the balance in the period FY 1994 through 1997. The schedule is subject to adjustment as a result of full funding grant agreement negotiations with FTA.

9. What is the total expected cost of the project? What percentage of the total cost of this project would be funded by the Federal Government?

Answer: The total capital cost of the project is $180 million in FY 1992 dollars. The section 3 cost of the project is $131 million per the ISTEA authorization. Some combination of federal Section 9, STP and CMAQ funds totaling about $13 million will be used to supplement the $131 million of Section 3 funds.

10. How much state, local, or private funds will be used for this project?

Answer: About $36 million in local funds received from the proceeds of an existing 1/4 percent sales tax will be used to finance the non-federal share of the transit portion of the project. A wide variety of highway and transit improvements were evaluated in the alternatives analysis/draft environmental impact phase of the project development. A combination of improvements to Interstate 15 and both light rail and bus transit improvements were selected as the locally preferred alternative. Up to $800 million of state funds will be generated primarily from the state gas tax as a non-federal contribution to the larger project. The overmatch will exceed 50 percent, and approach 80 percent of the combined transit and highway reconstruction project.

11. Are you seeking funds this year from any other federal source, or any other appropriations subcommittee for this project, or for any other project?

Answer: No Section 3 funds or funds from any other subcommittee will be sought. The Utah Transit Authority will, of course, receive apportioned Section 9 funds. About $2 million of FY 1994 apportioned Section 9 funds will be used for engineering and land acquisition to supplement the $4.24 million requested for construction of the bus maintenance facility.

12. If the project for which you are seeking federal funds from this subcommittee is a highway project, where does it rank on the state's priority list?

Answer: Not applicable because the request is for transit projects.

13. If the project is a transit project, does the general public in your area support the project?

Answer: Local elected and state officials support the project. These include the Wasatch Front Regional Planning Commission, the area's Metropolitan Planning Area, Governor Leavitt, local Mayors and County Commissioners, and both Salt Lake newspapers. Attachment 3 to Mayor Corradini's recent letter to Chairman Carr is a summary of local support and a set of supporting letters. The negative vote against a tax increase last November is interpreted by local officials as a vote against doubling the sales tax rather than against the light rail project. The project is supported by the entire Utah Congressional delegation, on both the House and the Senate side.

14. Has there been any public financing mechanisms initiated at the state and/or local level to help fund this project (highway or transit), such as a dedicated gas tax increase or a bond referendum? If so, please provide the specifics, and, in the case of proposed bonding authority, please indicate the results of placing this project before the public.

Answer: The proceeds from the existing 1/4-cent sales tax dedicated to the Utah Transit Authority is sufficient to both contribute the local capital match and to cover operating costs.

MONDAY, MARCH 29, 1993.

HOUSTON METRO

WITNESSES

HON. JACK BROOKS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

MAYOR ROBERT C. LANIER OF HOUSTON, TEXAS

WILLIAM F. BURGE III, CHAIRMAN, HOUSTON METRO

Mr. CARR. Our next witness will be a panel led by our good friend and colleague, the Honorable Jack Brooks.

I am delighted to see the distinguished mayor from Houston with us, today. Mr. Brooks, would you like to proceed with the introductions?

Mr. BROOKS. Thank you very much, Mr. Carr. And it is a very distinguished pleasure for me to appear before this great committee to introduce the Honorable Bob Lanier, the mayor of the City of Houston.

The work of this subcommittee is of most importance to my State and my congressional district, which includes a growing portion of Houston and Orange county.

Last year, I was equally honored to introduce Mayor Lanier; and since that appearance, the City of Houston has made great strides in putting together a public transportation network I believe will be the envy of the rest of the world.

We have success in Houston in no small measure because of the talents and hard work of our mayor. Bob Lanier probably knows more about the transportation needs of our Nation, and certainly of Texas, than any other person I can think of. His past service as Chairman of the Texas State Highway Commission, as Chairman of the Houston Metro, has given Mayor Lanier—and also Tom DeLay—a unique perspective and deep insight into our transportation needs.

The people of Houston are most fortunate in having this combination of skills and experiences in the hands of a man like Bob Lanier. He has been a success in everything he has tried. Getting married to Elyse was quite a chore, and he did it. And he has done fairly well in banking and savings and loan. You never met anybody in the savings and loan before that did well and was out safe, had his money in a box before they had all their trouble; you are looking at him, one in a million.

He did fairly well in public service and real estate. He was out of real estate, of course, before it all went down. One of those things that happens, you know. Now I think he is back in a little bit as things begin to move up slightly.

And he did well in the law. He was a great success as a honors graduate of the University of Texas, smartest man in my law school class. Really. And he has probably done as well as anybody—or made more, shall we say. And he has remained a man of uncommon abilities and charm. He has determination and willpower to get people working together. He doesn't welcome incompetence very much. There is a little bit of shortness of patience as he has gotten older I notice. If things don't go just right, he gets a little testy. But, by and large, it is understandable. I am always compassionate, understanding, tolerant.

Wolf, don't smile.

And so it is my great honor and distinct privilege at this time to introduce the Mayor of Houston, my friend, and a great man, Bob Lanier.

Mr. LANIER. Thank you very much.

Mr. CARR. Mr. Mayor, welcome, it is a delight to see you here.

Mr. LANIER. Thank you, Chairman. Chairman Brooks and I have been friends a lot of years. We met in law school in 1946, and we were just sharing mellowing; and it was a conclusion we had both mellowed at the same, probably a quite modest rate.

I would like to just talk—put in perspective Metro's program today along with transportation efforts involving the City of Houston. And I have been over this with some of you before, but put it again in perspective.

I really believe we are in shape to handle our transportation problems if we handle them smartly in Houston as well as any city in the country.

In 1982, Houston was called the most congested city in the Nation; and in local polls, it was identified as a number one problem of the Houston electorate by 44 percent of the people.

From 1982 to date, in what has truly been an intermodal effort, we are number one in the Nation in terms of congestion relief. In the one survey, we were one of only five cities that has made any progress; in another, the only major urban area to have made progress.

And the concern of the public, that this is our number one problem, has drifted downward from 44 percent to the most recent Houston Post poll of some 4 percent because during that period of time, we have actually increased the average speed of the motors, notwithstanding we have had substantial traffic growth.

In terms of looking at Metro's program, I might say, first of all, that in Metro we have a 100-mile transit way program under design, largest in the Nation. We have half of them built. The remainder of the transit ways will be built under the joint funding arrangement with—that this committee has been so kind thus far to endorse.

The result of this transit way operation, which allows buses to move at the speed limit and which allows in it car pools and van pools where they are sending minimum occupancy requirements that can also move at the speed limit, Houston has more passenger trips than any other transit agency in the south or west with the exception of San Francisco and—with the exception of San Francisco and Los Angeles, two bigger markets.

It has moved ahead of Atlanta in terms of trips and Miami and San Diego, both rail cities. If you look at the transit way portion of the transit effort, it is moving about 20 million passengers a year. And that would be more than any other rail segment in the south or west with the exception of San Francisco and Atlanta. But since we are only half built of our transit way system, it is my judgment that when we complete the transit way system, in looking at the growth rate of passengers there, I think we will move the same or greater number of folks.

The cost of the transit way system is about 10 percent of the cost of the competitive rail system. We built it for about $7 million a mile in round numbers. And half the traffic is moved through car pools and van pools at no cost to the taxpayer.

We also feel like that because of clean air and because of just money, that most of the progress on transportation from this point forward is going to be made through maintenance of the existing arteries. We pretty much completed our arterial network for connections. We spent $8, $10 billion in the 1980s doing that, in traffic management, and we really have a truly intermodal traffic management system evolving. It is not just intermodal in name. It is intermodal in terms of the functioning relationship of one mode to the other, in terms of the interrelationship of the people who run the aggregate system. But we are in the acquisition of right-of-way and design stage. There will be a central control facility. And funding has been provided, in part, through grants here, in part, the highway department, and all of the government interests looking at it. But we will be able to monitor traffic throughout the entire city. We will be able to control, in a synchronized basis, street lights.

We will be able to identify breakdowns in the system, whether street lights or vehicle. We will have a smart vehicle, smart highway. We are currently doing a smart corridor, joint research effort with the other transportation entities involved in the corridor where we will have the ability, by 1997, to communicate between the central facility and the individual vehicles operating in the city.

We will also have each of the buses and the various fleets tagged so we will be able to attract location of fleets, whether buses or actually police cars or the fire department doing EMS, emergency service. We will be able to track vehicles, and the vehicles will be able to talk back and forth to the central control facility through remote facilities in their vehicle.

In terms of the early application of traffic management, we put it in effect for the Republican National Convention in Houston, we put it in effect for the—this last year for the Astrodome for our football games and stock show, and now baseball games and other facilities there, where 60,000 people go to that facility within one hour's time and 60,000 people leave within an hour's time. That is a very strong parallel to a workplace, a concentrated workplace.

And by, again, an intermodal effort, we were able to reduce travel time by half, cut it in half. And what we did there—and we will do better yet when we get our aggregate management facility. But what we did there was we ran streets one way coming in and one way coming out, fairly simple thing. We have officers at the perimeters directing traffic. We have changeable signs indicating traffic problems. And those changeable signs, as we get our system, will be even more sophisticated. We will be able to say, "Don't go in here because the lot is full" or things like that.

We have vans out there ready to move stalled vehicles off the arteries. We have people on top of the Astrodome looking for problems and telling people out there smart things to do. We had to work the buses in there. We had buses at four remote locations in each quadrant, and then we load them out in parking lots out there and then fire the bus in. And where we can, we design a temporary transit way for that bus to go down. So we are trying to move the bus—reward the people by getting to the bus by moving them faster than the accompanying traffic.

We are moving this next year to also put car pools and van pools for certain occupancy levels in those transit ways coming in. And we just keep tinkering with this and making it better as we go we can. But it is an aggregate, multidisciplinary traffic effort: Houston Police Department, Metro Police, highway department, county, Toll Road Authority, all involved.

After that has been successful, we have taken that same machine up and put it over at the medical center. And there are just different common sense things. We have cut travel time into the medical center. Not getting worse, cut it, although that area is growing in employment by about 6 percent a year. We finish there, we will put it into the downtown, into the other employment centers. And we believe, through traffic management, that we can reduce travel time consistently to employment centers throughout the city. And we think, as we add sophistication and experience to it, this will be more pronounced.

It is my view that in—with minimal amount of hard capital added, that we have the ability to maintain traffic speed or enhance it for the rest of our lifetimes by managing the facility we have. And I—two big things we will be after in moving slightly to clean air will be moving to cleaner fuel, will be trying to put more folks per-vehicle so the occupancy comes up just a bit; and we will be trying to spread traffic into different time slots. We will try to manage events, like the Astrodome. We will try to manage incidents like taking vehicles and moving stalled cars out.

You find 50 percent of your congestion is caused by stalled vehicles, just very cheap to move them off. We also are tying in bicycle trails and a comprehensive city bicycle trail program, a comprehensive sidewalk program. We are building over 100 miles of sidewalks a year between the city and Metro. And, for example, that will tie into where a bus stops where before the handicapped could get off and couldn't make it because they get off at an open ditch and couldn't get to wherever it was they were going. We are putting 100 miles of sidewalks in to let them complete that trip. The sidewalks are handicap accessible.

The bicycle pass will be a complete system for the city along with recreational use along our bayous. And again it is kind of a joint effort between Metro and the city and the county.

And we have been operating this way now with greater success for pretty close to 10 years. And what we do is we sit down with the decision makers for each agency—that will be the chairman of the highway commission or the mayor or the county judge or the head of the toll road authority, head of Metro—and just look at problems and then say, hey, we can do this; I can do that; and we can do the other.

And let me say this to you, too: This agency and Mr. Delay, we are encouraged to rethink a-billion-dollar project that we thought that was not cost effective that was funded—and that was the Houston Monorail Program—and turn it back and run the risk of lost funds, which you have been kind enough not to visit on it because I think it has gone to more cost-effective things—but have had the courage to take a project and look at it. I think it has been true throughout the ten-year period, it has had the most dramatic presence in terms of monorail. But look at it, say, "This doesn't work," and Federal money is not just a meaningless dollar that some people look at it, that you can come in and do a boondoggle project and it means a few jobs and you cut a few ribbons.

But we have taken hard looks at it, and we have sent it back. And we have consistently tried to treat the Federal money as though it were our own and consistently tried to get the most benefit that we could out of it.

One last word of another thing we are looking at. It is not immediately before us today. But as we junked the monorail system, somebody asked me if it was dead. I said, "If it wasn't, it was sure sick." They—at a time we have done that, we have got a network in rail, in Houston, covering the entire city: north, east, south, and west. And we have an application in for a commuter rail because we can—I am not sure what the numbers will look like yet. But in terms of its cost and its potential, we can do it 90 percent cheaper by using existing trackage than, say, the monorail system would have been or most rail systems would have been. And instead of being limited to a segment where we would acquire the right-of-way, it would have the potential to cover the entire city if the market is there.

So if we do go forward with this and we are down to one of the ten projects that are short listed, the advantage is that test commuter rails within a city and tested in an environment where, if it works, we can cover the entire spectrum. The only problem that it has is not a problem with that working. It is just a problem we are moving traffic so fast down the transit way that the transit ways are tough competitors so far.

Anyway, I would like to thank this committee in particular and members that I have worked with over the years for the support and cooperation they have given us. I believe that we have a wonderful transit system. I think we have a wonderful transportation program. I believe, with your help, we will be able to continue that. And I would say to you that any—with respect to funding, that we will give it our very best shot to make your money spent worthwhile.

Thank you.

[The prepared statement of Mayor Lanier follows:]

TESTIMONY OF

ROBERT C. LANIER
MAYOR, CITY OF HOUSTON

HEARING BEFORE
THE HOUSE OF REPRESENTATIVES APPROPRIATIONS COMMITTEE SUBCOMMITTEE ON TRANSPORTATION AND RELATED AGENCIES

MARCH 29, 1993

HOUSTON METRO'S REGIONAL BUS PLAN

INTRODUCTION

Houston is the first city to devise a cost-effective, high performance, high capacity bus system that is designed to operate like a rail system. Through the use of barrier separated high occupancy vehicle lanes, also known as transitways, clean-burning fueled buses will operate at high speeds to move people quickly and efficiently to primary activity centers. Known as the Regional Bus Plan, this system is designed to provide more access to more destinations more frequently for both suburban and inner-city residents. The Regional Bus Plan is a systemwide transportation plan composed of a series of interrelated projects, the composite of which is designed to create an efficient and effective transportation system that meets the goals of reduced traffic congestion and improved air pollution control.

The Regional Bus Plan is complemented by an innovative traffic management program, an enhanced street maintenance program, and improved neighborhood infrastructure, which all support the core bus system to improve vehicular and pedestrian mobility.

Cumulatively, METRO's comprehensive program for improving regional mobility is known as the Community Transportation Program and is summarized in the enclosed brochure.

The Regional Bus Plan was adopted as Houston METRO's locally preferred transit alternative in February 1992 after extensive community participation via public hearings, Board of Directors meetings and as a subject of debate during Houston's 1991 mayoral election. After much deliberation about the most efficacious method of serving the mass transit needs of the Houston region into the next century, including detailed analysis of more traditional rail service, a community consensus evolved for the Regional Bus Plan due to its lower cost and greater flexibility to respond to changing residential and employment patterns.

REGIONAL BUS PLAN SERVICE OBJECTIVE

The service objective of the Regional Bus Plan is to provide frequent, fast travel to major employment and activity centers within and between the seven major travel corridors in Houston. Each commuter park and ride facility will have nonstop service to the Central Business District, the area's largest employment center, and one-stop service to that facility's second largest destination via a regional transit center. The regional transit centers will serve as collectors/distributors for transfers to other destinations much as regional airports serve that function for the nation's airlines. An extensive local bus network operating through the transit centers will provide similar service to METRO's local bus patrons.

REGIONAL BUS PLAN COMPONENTS

The Regional Bus Plan expands and completes METRO's capital facilities program begun in 1979 with METRO's creation. Using a combination of federal formula and discretionary grant funding assistance and substantial local funding, to date METRO has constructed five state of the art bus maintenance facilities, built approximately half of the high occupancy vehicle network, put into service 22 park and ride lots with approximately 23,000 parking spaces and 13 transit centers, and modernized the bus fleet with the acquisition of over 1,000 buses. This significant investment in the transit system has yielded dramatic increases in ridership (more than doubling to approximately 62 million trips annually) while offering comfortable, safe and reliable service.

Building upon the existing infrastructure, the Regional Bus Plan increases the size, efficiency and attractiveness of the bus system through facilities and features that provide rail system-like performance and amenities at a fraction of rail system cost. Figure 1 illustrates the location of the major capital facilities. Specifically, the Regional Bus Plan includes the following major components:

- **Bus Fleet**

The bus fleet will increase to 1600. Buses will be liquefied natural gas fueled and fully compliant with the Americans with Disabilities Act.

- **Westpark High Occupancy Vehicle Lane and Associated Facilities**

The Westpark High Occupancy Vehicle (HOV) lane is planned as a 5.7-mile, one-lane reversible facility along the Westpark/Southern Pacific Railroad, between the Southwest HOV lane near Fountainview/ US 59 and west of Boone Road near the West Bus Operating Facility. Current plans call for the HOV lane to be grade separated at cross streets, with segments between cross streets at-grade.

New park & ride facilities will be constructed at Fondren, Gessner, and West Belt. Two-way ramp connections will be provided at all new park & ride lots. Only a one-way ramp, to and from the west, will be provided at the Hillcroft Transit Center because access to and from the east is already provided by the ramp connection to the Southwest HOV lane. The proposed lot located at West Belt would accommodate 2,000 vehicles and have four bus bays; the proposed Gessner lot would accommodate 540 vehicles and have four bus bays; and the proposed

Fondren lot would accommodate 500 vehicles and have four bus bays. Exact parking arrangements and bus bay configuration will be dependent upon the specific sites selected.

The Westpark HOV facility will provide transit patrons and carpools/vanpools in west/southwest Houston with improved travel times to Uptown Houston, Greenway Plaza, Texas Medical Center, and the Houston Central Business District. Transit operations will also be more efficient and cost savings will be realized by having direct access to park & ride/transit center facilities and a reserved travel corridor in the form of the HOV lane.

- **Shepherd Durham Transit Center**

The Shepherd Durham Transit Center is an eight (8) bus bay facility located north of IH-10 between Shepherd and Durham Streets. The transit center will serve as a focal point for transit routes in the area and so enhance transfer opportunities to multiple destinations. Direct service is planned for Downtown and the Texas Medical Center. As with all METRO transit centers, patrons will be provided with a safe and sheltered waiting area where bus route and schedule information is available. Other amenities include supervisor's booth, operator restrooms, and information kiosks.

- **Downtown Transit Center**

METRO intends to acquire land and construct a transit center on one city block in the southern end of Houston's Central Business District. Amenities will be typical of other METRO park & ride/transit centers and will include a supervisor's booth, operator restrooms, and information kiosks.

The current conceptual design provides for 18 bus bays. Approximately 33 routes would converge at the transit center, with another 31 routes passing beside and stopping adjacent to the center. Direct service to other major activity centers would be provided at the center. The transit center will provide a focus for transfer activities in Downtown Houston. Many transfers would be removed from Downtown streets, thereby freeing sidewalk space for non-transit pedestrian use.

- **Main Street Transit Improvements**

Main Street will be reconstructed in the Central Business District (CBD) between approximately Commerce and Pierce Streets. The street- and transit-related improvements will include traffic lane reconstruction and resurfacing, as well as signal improvements.

- **Downtown/Midtown Transit Street Improvements**

The Downtown/Midtown Transit Streets project is a collection of street improvements which will be made within existing public right-of-way spreading over an area of approximately 17 by 31 blocks. This area is roughly bounded on the north by Commerce, on the east by St. Emanuel, on the south by Elgin, and on the west by Bagby. Additional improvements will be made on Main Street from Pierce at IH-45 to North MacGregor in the Texas Medical Center area. Improvements will include reconstruction and resurfacing of traffic lanes, upgrading sidewalks, and construction of turn lanes.

The Regional Bus Plan service plan results in a heavy volume of bus operations in and through the Downtown/Midtown area. Collectively, these improvements will lead to a significant increase in mobility in the Downtown/Midtown area by ensuring readily accessible streets and promoting increased ridership, acceptable level-of-service, and efficient use of transit.

- **Greenway Plaza Ramp**

This project will provide a ramp connection from the Southwest HOV lane to Greenway Plaza. Design and location of the ramp are being refined in current engineering work. Two options are being discussed with Greenway Plaza and Texas Department of Transportation (TxDOT) representatives. Local streets will be improved to accommodate bus operations using the ramp.

The Greenway Plaza ramp will provide direct access to one of Houston's major activity centers. The ramp will provide access for both transit vehicles and carpools/vanpools, as well as providing inner city access to the Southwest HOV lane. Direct ramp access to Greenway Plaza will result in travel time savings and more efficient transit operations.

- **Eastex Ramp at Quitman**

The ramp facility is a combination HOV flyover ramp and northbound entrance slip ramp, located just north of Quitman and the Eastex Freeway (US 59 North). The project is located within the current limits of the Eastex HOV Lane Segment 1 project (from the Central Business District to Will Clayton Parkway).

The HOV interchange facility consists of a flyover structure on the inbound (southbound) side which will traverse the southbound mainlanes and allow HOV traffic into the outside freeway lane. From this outside freeway lane, HOV lane users can make connections via the US 59 mainlanes with either IH-10 or other freeway corridor destinations. Access to the HOV lane for outbound (northbound) buses and other HOV lane users will be provided by an entrance slip ramp from the inside mainlanes to the median HOV lane. This HOV lane entrance slip ramp will be located north of the IH-10/US 59 interchange and north of Quitman.

The Eastex HOV lane currently has no entry/exit point between Downtown and the North Loop (IH-610). This ramp facility will provide access to and from the HOV lane for local and express bus routes which serve the near north side. The project will also provide more direct access to and from IH-10 for buses and other HOV lane users without having to backtrack from the Central Business District.

- **Katy Central Business District Ramp**

The project includes construction of a ramp for high occupancy vehicles traveling on the Katy Freeway (IH-10) to and from the Downtown Central Business District. It will connect the Katy Freeway mainlanes via a median slip ramp west of Taylor Street to Franklin Street in the near northern portion of the Central Business District (CBD).

Construction of the ramp will reduce the traffic congestion for vehicles entering or exiting Downtown. At present, vehicles from the Katy Freeway enter/exit Downtown to/from Smith and Louisiana Streets, respectively. This additional access will provide a travel time savings while improving access to the Central Business District.

- **Eastex High Occupancy Vehicle Lane (Segment 2)**

Segment 2 of the Eastex HOV lane is a 4.5-mile barrier-separated transitway in the median of the Eastex Freeway (US 59 North) northward from a median slip ramp located just south of Will Clayton Parkway to a location just south of Kingwood Drive. Segment 2 continues the HOV lane north of Segment 1 (from the Central Business District to Will Clayton Parkway), which is currently under construction. The 4.5-mile segment is planned to have three access/egress points.

An HOV lane T-ramp interchange is planned near Townsen Boulevard to access the Townsen Park & Ride lot located adjacent to and on the west side of the freeway. The primary purpose of this interchange is to provide direct access between the median HOV lane and the Townsen Park & Ride lot. It will also serve as an outbound exit opportunity for other HOV lane users with destinations in the Humble area east of the freeway, along the major collector route of FM-1960 and to

Houston Intercontinental Airport. A permanent access/egress point will also be located near Will Clayton Parkway. This grade separated structure will serve the FM-1960 and Will Clayton areas.

The northern terminus of Segment 2 will be a wishbone interchange that will provide access to the HOV lane for the community of Kingwood and areas to the north of Kingwood. The wishbone interchange will also be the access and egress location for buses serving the Kingwood Park & Ride lot.

Segment 2 of the Eastex HOV lane project will improve travel time for high occupancy vehicles and will improve the operational efficiency of the Eastex Freeway.

Construction of the Segment 2 Eastex HOV lane project will take place in conjunction with freeway rehabilitation construction now under design by TxDOT, and will be subject to terms specified in a METRO/TxDOT interagency agreement.

- **Townsen Park & Ride Lot**

The Townsen Park & Ride lot will be located adjacent to Townsen Boulevard on the west side of US 59 North, the Eastex Freeway. The park & ride lot will have approximately 1,100 parking spaces with a four (4) bus bay shelter area.

The TxDOT has provided right-of-way for this park & ride facility. A grade separated ramp will directly connect the lot to the median HOV lane and provide access for buses and carpools.

The Townsen Park & Ride lot will relieve overcrowding at the Kingwood Park & Ride lot, as well as provide a transfer point for other local bus routes serving the area.

- **Bus Operating Facility**

A new bus operating facility is planned for the near northern part of Houston to accommodate and service 250 buses. Routine maintenance would be provided at this facility.

METRO's existing bus operating facilities (excluding the Buffalo Bayou Facility, a downtown mid-day storage lot) are near capacity. The Kashmere garage was originally designed as a heavy maintenance facility, but has included an operating division for many years. With adoption of the Regional Bus Plan, METRO's bus fleet will increase by more than fifty percent (50%), and the full capacity of Kashmere will be needed for central repair and heavy maintenance. A facility in the near northern part of Houston will accommodate the expanded bus volume and provide cost efficiencies by minimizing deadhead mileage on many routes.

- **Central Control Facility**

The Central Control Facility is a joint project between METRO and the Texas Department of Transportation (TxDOT). The facility will house staff of TxDOT, METRO, the City of Houston and Harris County to provide a central operations center and support area for the Computerized Transportation Management Systems (CTMS) currently under development. The CTMS will provide a coordinated means of managing normal daily traffic congestion problems as well as incident management.

CTMS is a multi-agency effort with interconnecting subsystems including Mainlane Freeway Traffic Management (FTM) System; the High Occupancy Vehicle (HOV) lanes; Surveillance Communications & Control (SC&C) System; and Frontage Road Signal Coordination Systems (SCS).

The facility will function on a twenty-four hour basis comprising three 8-hour shifts per day, plus a weekend shift. It will be comprised of two major functional areas: the Control Center with its support areas and the office/administrative spaces to serve the facility and staff.

Current plans are for the facility to contain a central control room sized for twenty (20) computer stations and four (4) large display screens along the front wall. Associated with this space will be the computer/communications room, projection room, shift manager's office, assistant shift manager's office, observation area for guests and a crisis center room.

Current plans call for TxDOT to acquire land, construct the building and purchase the necessary hardware/software; METRO will design the facility. An approximately 8.4 acres site has been tentatively identified for the facility; the site is located on the north side of Old Katy Road, just west of the existing TxDOT District 12 complex and the Southern Pacific Railroad.

Project responsibilities will be stipulated in an interagency agreement between TxDOT and METRO, which is under development. Each participating agency will have involvement in the design, construction and equipment determination/installation phases.

- **Rideshare Computer**

METRO's existing RideShare Computer system was installed in 1979 on a Datapoint mini-system. The existing hardware is no longer manufactured nor are spare parts readily available. The software is unable to accommodate the workload that METRO's RideShare Program anticipates receiving as a result of implementation of the Federal Clean Air Act requirements.

This project will replace the existing system with current technology and will allow for remote access features which will permit employers to dial into the system, add their employees to the database, do on-screen matching and request printed reports. It will also incorporate bus route information into the RideShare process, provide a method of accepting a list of candidates from electronic media, access a Spanish translation program and provide an Employer Trip Reduction survey and analysis capability per the Federal Clean Air Act requirements.

o **Advanced Transit Scheduling System**

METRO's existing Runcutting and Scheduling system (RUCKUS) is outdated and time consuming to use. The existing hardware is not compatible with METRO's upgraded computer environment, and the software is unable to accommodate the needs of an expanded bus fleet.

The project will replace the mainframe based, batch mode program package with a microcomputer based set of programs which are state of the art. The new system will have a commercial software design, be easy to use, and contain algorithms for optimizing the number of bus blocks at each garage along with the driver run cut. It is expected to yield significant efficiencies in operator assignment. The new system will be easy to use, easy to learn and will reduce the time and effort required to prepare new and/or revised schedules.

The project also will provide for a state of the art telephone information system in Customer Service which will allow for more efficient response to patrons inquires.

The management of geographic data is inherent to METRO, whether in bus operations, street improvements or facilities management. Day to day planning efforts, support services and data accumulation must be coordinated.

The project proposes to acquire and integrate a Geographic Information System in the management of this information. The goal of the system is to link departmental computer systems to manage geographic data through a common computer network and program. Additionally, this project will assist METRO in interchanging geographic data with other local agencies.

o **Regional Computerized Traffic Signal System**

The Regional Computerized Traffic Signal System (RCTSS) project provides for installation of a state of the art traffic signal system capable of regional traffic management. The system will allow traffic signal coordination and management within both the City of Houston and Harris County. It will also interface with the freeway management system under control of the Texas Department of Transportation.

In Harris County various agencies are responsible for controlling a total of 2,820 signalized intersections in the region. Currently there are approximately forty (40) coordinated signal systems that operate on different time bases. As a result, motorist and buses traveling across non-coordinated signal networks experience unnecessary delays. Although delays at traffic signals are inevitable, the primary goal of RCTSS is to minimize these delays.

As the freeway management system proposes diversion of traffic onto city and county arterials, an arterial traffic signal system must be in place to manage excess traffic. The ultimate number of signals under RCTSS control is estimated at 3,000. A RCTSS will help optimize the utility of streets so they better serve existing as well as unexpected traffic demands in Harris County.

An arterial traffic management system consists of three major elements: the intersection controller, a master controller and a mode of communication between the two. The architecture of RCTSS has been defined as a distributed intelligence system. Whereas the predecessors of today's traffic management systems placed all intelligence at the central computer, a distributed system establishes much of the intelligence at the intersection.

The basic element of a traffic signal system is the individual signalized intersection. The local traffic signal controller changes the signal indications according to predetermined settings. It can also operate to timing patterns adjusted from the analysis of traffic data received from vehicle detectors on the roadway. Today's solid state controllers are very capable of these functions.

The second element, the logic device, provides system commands to each intersection controller on-line. This device sends a synchronization signal throughout the system to keep all intersections coordinated. It can take the form of a field master controller or a more complex computer which, from a remote location, performs every function normally performed by the intersection controllers. In the distributed system, the logic occurs at two levels, the master controller and at a central computer. The master controller will perform the majority of work by maintaining synchronization and adjusting time plans for existing demand. The central computer in a distributed system serves as a monitor, data collector and provides manual override. Its capabilities are better utilized if the controller can store timing plans and a subarea master manages these timing plans on a routine basis.

The final element is the connection between the intersection controller and logic devices. The capabilities of the communication mode normally set the level of sophistication and requirements for the other two elements depending on the intensity of communications needed between logic device and controller.

The benefits of a Regional Computerized Traffic Signal System fall into two categories: motorist benefits and system user benefits. Motorist benefits include overall decrease in travel times and delay and reduced number of stops. These stem from the interconnection and timing optimization of traffic signals. Installation of computerized traffic management systems have also shown subsequent improvements in air quality. Fuel consumption and vehicle user costs are anticipated to decrease as well.

Other benefits anticipated, though not as easily quantified as those mentioned above, are malfunction monitoring, maintenance savings, accessibility of data to engineers and flexibility of operation from remote locations. These benefits are seen directly by the office personnel that operate the signal system, but the savings resulting from more efficient operation at the control center flow down to the traveler.

- **Automatic Passenger Counter**

Reliable information regarding passenger loading characteristics on individual bus routes is imperative in order to respond to the dynamics of service demand in the METRO region. Needed cost effectiveness is compromised when anecdotal sampling and gross summary estimation are the only sources of information. METRO therefore proposes to install Automatic Passenger Counters on approximately 1600 buses to accurately determine on-board bus passenger loading information.

While up-coming automated fare collection methodologies will enhance the accuracy of boarding passenger details, alightings must still be inferred. An automatic record of passenger boardings and alightings with currently available equipment has been attempted with questionable accuracy. A reasonably high technology solution using multiple light beams appears to offer the accuracy previously lacking.

However, in consideration of the anticipated high cost of light beam units installed on individual buses, METRO has explored other options. A lower unit cost solution (seat switches) will be installed throughout the fleet to identify routes or segments where "probe" vehicles will be assigned. "Probe" vehicles will have both light beam and seat switch units, and will be used only in the locations where needed. The assignment of probe vehicles will be based on consistent loads in excess of seated capacity. This approach is intended to provide the details necessary for schedule adjustments instead of the labor intensive means that is currently used.

Ultimate integration of this project into METRO's Smart Bus concept will utilize these sensors as components in the planned vehicle data network.

- **Automatic Vehicle Locator**

Significant benefits are anticipated from the ability to determine, accurately and in real time, the location of all vehicles in a transportation fleet. While technology is emerging, costs are being reduced. After demonstration and evaluation, METRO plans to equip its vehicle fleet with the most cost effective combination of technology and methodology and incorporate the result into the Smart Bus or vehicle data network. At least one additional demonstration of concept implementation is anticipated prior to a system-wide solution procurement.

- **LNG Component for all Buses**

To comply with State law and Federal Clean Air Act requirements, METRO has implemented an Alternative Fuel program. The METRO Board of Directors has chosen Liquefied Natural Gas (LNG) as the alternative fuel of choice, and new bus purchases include LNG systems.

METRO has committed to fund the "base" cost of replacement buses under the Section 9 program; a separate grant application will be submitted for this request.

This project requests Federal funding for the alternative fuel components of vehicles funded under the Section 9 program.

- **Transit Street Reconstruction**

The Transit Street Reconstruction project consists of resurfacing and reconstruction of a number of streets which are badly deteriorated. METRO has determined that many streets in Houston are in very poor condition. The wear and tear on buses using these streets is significant, resulting in increased maintenance costs. METRO believes that improved conditions will help extend the useful life of the bus fleet.

Additionally, through experience with other street reconstruction projects, METRO has determined that improved street conditions result in a quicker and smoother ride for passengers, thus improving the overall system efficiency. By improving the quality of the ride, more passengers are attracted to the system and ridership will improve.

REGIONAL BUS PLAN BUDGET AND OBLIGATION SCHEDULE

The Regional Bus Plan total cost of $1.194 billion is proposed for 50/50 federal/METRO funding. A preliminary engineering grant in the amount of $6.4 million was awarded in fiscal year 1992. The first construction grant is in the amount of $188.6 million. Future grant requests will total $404.5 million.

Table 1 details the budget and obligation schedule for the various Regional Bus Plan elements. Table 2 summarizes the grant award schedule necessary to support the budget/obligation schedule. Figure 2 illustrates the history of appropriations and obligations.

FISCAL YEAR 1994 APPROPRIATION REQUEST

Since the onset of METRO's long range transit program in fiscal year 1989, METRO has sought appropriations at an even level of approximately $50 million per year in order to avoid large appropriations requests during peak spending periods. Congress has responded favorably to this approach by appropriating significant funding prior to the time of actual obligations. METRO recognizes that the increasing demands for limited resources has made this approach more difficult to sustain. Last year Houston METRO committed to Congress that it would obligate slightly over one-half of the accumulated appropriations. By the end of fiscal year 1993, METRO will have actually obligated over 75% of the previous appropriations.

METRO further recognizes that the call upon available funding has not diminished and the emphasis on economic stimulus makes programs that can immediately obligate appropriated funds more attractive. Accordingly, METRO's fiscal year 1994 appropriations request is for an amount that can be obligated within fiscal year 1994. That amount is $40.5 million. Table 3 details the appropriations and obligations that yield this amount. This will, however, require future appropriations of $97.3 million in fiscal year 1995, $69.7 million in fiscal year 1996 and $67.0 million in fiscal year 1997 to fund the Regional Bus Plan on its current schedule.

CONCLUSION

Houston METRO's Regional Bus Plan is moving rapidly to becoming a reality. Facilities design and right-of-way acquisitions are well underway. Fiscal year 1994 will see significant construction.

Jobs are being created locally and in manufacturing and supply throughout the nation by the Regional Bus Plan. The first construction grant alone will generate over 3,000 jobs annually. The total program will generate over 9,600 jobs annually.

Houston's transit patrons experienced extraordinary service improvements in the 80's. The 90's will see even more dramatic improvements and the Regional Bus Plan offers the patrons of the 21st century energy efficient, environmentally friendly, rapid, safe and comfortable service.

Table 1

REGIONAL BUS PLAN
OBLIGATION SCHEDULE ($ X 1,000)
AS OF 03/16/93

**** PRELIMINARY ENGINEERING *****	FY92	FY93	FY94	FY95	FY96	FY97	FY98	FY99	FY00	Forecasted Obligations	Current Grant Amount
PRELIMINARY ENGINEERING	1,037	6,500	462	0	0	0	0	0	0	8,000	8,000
FEDERAL SHARE	830	5,200	370	0	0	0	0	0	0	6,400	6,400

****** FIRST GRANT PROJECTS *******	FY92	FY93	FY94	FY95	FY96	FY97	FY98	FY99	FY00	Forecasted Project Obligations	1/11/93 Current Grant Request
DOWNTOWN TRANSIT CENTER [L,D,C]	0	11,600	6,830	0	0	0	0	0	0	17,430	17,430
MAIN STREET TRANSIT ST. (MALL) [D,C]	0	19,540	0	0	0	0	0	0	0	19,540	19,540
DOWNTOWN/MIDTOWN TRNST ST IMPROV [L,D,C]	0	110,455	0	0	0	0	0	0	0	110,455	110,455
GREENWAY PLAZA RAMP [D,C]	0	6,435	0	0	0	0	0	0	0	6,435	6,435
WESTPARK HOV LANE [L,D]	0	17,600	0	0	0	0	0	0	0	17,600	30,760
GESSNER PARK & RIDE [L,D]	0	9,400	0	0	0	0	0	0	0	9,400	(incl)
WEST BELT PARK & RIDE [L,D]	0	8,500	0	0	0	0	0	0	0	8,500	(incl)
SHEPHERD/DURHAM TRANSIT CENTER [L,D,C]	0	7,200	5,240	0	0	0	0	0	0	12,440	12,440
KATY/CBD RAMP [L,D,C]	0	27,680	1,100	0	0	0	0	0	0	28,780	28,780
EASTEX HOV RAMP AT QUITMAN [D,C]	0	5,300	0	0	0	0	0	0	0	5,300	16,325
EASTEX HOV LANE EXTEN. TO KINGWOOD [D,C]	0	10,100	0	0	0	0	0	0	0	10,100	40,110
EASTEX HOV RAMP AT WILL CLAYTON [D,C]	0	6,600	0	0	0	0	0	0	0	6,600	(incl)
EASTEX HOV RAMP AT TOWNSEN P&R [D,C]	0	6,200	0	0	0	0	0	0	0	6,200	(incl)
EASTEX HOV TERMINUS AT KINGWOOD [D,C]	0	8,700	0	0	0	0	0	0	0	8,700	(incl)
TOWNSEN PARK & RIDE [D,C]	0	8,700	0	0	0	0	0	0	0	8,700	10,160
BUS OPERATING FACILITY #5 [D,C]	0	1,725	37,675	0	0	0	0	0	0	39,400	40,540
CENTRAL CONTROL FACILITY [D,C]	0	3,000	0	0	0	0	0	0	0	3,000	4,325
RIDESHARE COMPUTER [A]	0	0	600	0	0	0	0	0	0	600	500
ADVANCED TRANSIT SCHEDULING SYSTEM [A]	0	0	500	0	0	0	0	0	0	500	500
GEOGRAPHIC INFORMATION SYSTEM [A]	0	0	1,000	0	0	0	0	0	0	1,000	1,000
REGIONAL COMPUTERIZED TRAFFIC CONTROL [D,C]	0	6,900	3,100	0	0	0	0	0	0	10,000	10,000
TRANSIT STREET RECONSTRUCTION [D,C]	0	6,000	0	0	0	0	0	0	0	6,000	5,000
AUTOMATIC PASSENGER COUNTER [A]	0	0	1,000	0	0	0	0	0	0	1,000	1,000
AUTOMATIC VEHICLE LOCATOR [A]	0	0	6,400	0	0	0	0	0	0	6,400	6,400
LNG COMPONENT FOR ALL BUSES [A]	0	990	4,610	0	0	0	0	0	0	5,600	5,600
BUS ACQUISITIONS [A]	0	0	10,000	0	0	0	0	0	0	10,000	10,000
TOTAL -- FIRST GRANT PROJECTS	0	282,625	76,855	0	0	0	0	0	0	360,480	377,200
FEDERAL SHARE		141,813	38,428	0	0	0	0	0	0	180,240	188,800

REGIONAL BUS PLAN
OBLIGATION SCHEDULE ($ X 1,000)
AS OF 03/16/93

****** FOLLOW-ON GRANT PROJECTS ******	FY92	FY93	FY94	FY95	FY96	FY97	FY98	FY99	FY00	Project Obligations	Budget Future Grants
DOWN/MIDTOWN TRNST ST IMPROV [L,D,C]	0	0	49,766	0	0	0	0	0	0	49,766	49,766
SOUTH MAIN TRANSIT ST RECONSTR. [D,C]	0	0	11,500	18,500	0	0	0	0	0	30,000	30,000
SOUTH MAIN ADDITION TRANSIT CENTER [L,D,C]	0	0	0	10,000	1,938	0	0	0	0	11,938	11,938
SPECIAL SHELTERS & OTHER AMENITIES [D,C]	0	0	0	600	600	200	0	0	0	1,400	1,400
WESTPARK HOV LANE [C]	0	0	0	99,397	0	0	0	0	0	99,397	117,837
GESSNER PARK & RIDE [C]	0	0	0	0	4,200	0	0	0	0	4,200	(incl)
WEST BELT PARK & RIDE [C]	0	0	0	0	9,500	0	0	0	0	9,500	(incl)
WESTPARK HOV LANE EXTENSION TO SH 6 [L,D,C]	0	0	0	0	0	3,400	5,600	41,000	0	50,000	50,000
MISSION BEND PARK & RIDE – PH 2 [C]	0	0	0	0	0	0	0	3,229	0	3,229	3,229
INNER SOUTHWEST SLIP RAMP (@ SHEPHERD) [D,C]	0	0	0	0	701	0	0	0	0	701	701
SW HOV RAMP TO RICHMOND/POST OAK [D,C]	0	0	0	0	1,320	10,286	0	0	0	11,606	11,606
LINEAR TRANSIT CENTERS [D,C]	0	0	0	0	1,000	705	0	0	0	1,705	1,705
NWTC RAMP TO N. POST OAK RD [D,C]	0	0	0	0	600	5,022	0	0	0	5,622	5,622
POST OAK BUS LANES [L,D,C]	0	0	0	2,000	20,000	36,289	0	0	0	58,289	58,289
KATY HOV LANE EXTENSION TO MASON RD [L,D,C]	0	0	0	0	0	2,400	600	27,000	0	30,000	30,000
RELOCATED GESSNER SLIP RAMP [D,C]	0	0	0	738	0	0	0	0	0	738	738
NWTC/INNER KATY CONNECTOR [D,C]	0	0	6,897	0	0	0	0	0	0	6,897	6,897
NW HOV LANE EXTENSION TO FAIRFIELD [L,D,C]	0	0	0	0	0	3,000	0	32,000	0	35,000	35,000
LOUETTA PARK & RIDE [L,D,C]	0	0	0	0	0	700	6,641	0	0	7,341	7,341
NORTH SHEPHERD PARK & RIDE T-RAMP [L,D,C]	0	0	0	0	10,000	0	0	0	0	10,000	10,000
GULF HOV/US 59 SOUTH RAMP [D,C]	0	0	0	0	0	19,196	0	0	0	19,195	19,196
BUS OPERATING FACILITY #6 [L,D,C]	0	0	0	12,875	37,125	0	0	0	0	50,000	50,000
FACILITY EVALUATION [D,C]	0	0	0	10,000	7,500	7,500	0	0	0	25,000	25,000
LNG FACILITIES [D,C]	0	0	0	2,000	2,000	900	0	0	0	4,900	4,900
LNG MANUFACTURING PLANT [D,C]	0	0	0	0	0	1,500	13,500	0	0	15,000	15,000
REGIONAL COMPUTERIZED TRAFFIC CONTROL [D,C]	0	0	5,000	20,000	20,000	20,000	15,000	15,000	15,000	110,000	110,000
TRANSIT STREET RECONSTRUCTION [D,C]	0	0	25,000	0	0	0	0	0	0	25,000	25,000
LNG COMPONENT FOR ALL BUSES [A]	0	0	0	8,000	8,000	8,000	7,100	7,000	7,000	45,100	45,100
BUS ACQUISITIONS [A]	0	0	0	10,600	15,000	15,000	15,000	14,000	13,100	82,700	82,700
TOTAL – FOLLOW-ON GRANT PROJECTS	0	0	98,163	194,710	139,484	134,097	63,441	139,229	35,100	804,224	808,964
FEDERAL SHARE	0	0	49,082	97,355	69,742	67,049	31,721	69,615	17,550	402,112	404,482
TOTAL ALL PROJECTS...	1,037	290,125	175,490	194,710	139,484	134,097	63,441	139,229	35,100	1,172,704	1,194,164
TOTAL FEDERAL SHARE	830	147,513	87,979	97,355	69,742	67,049	31,721	69,615	17,550	588,752	599,482

[L,D,C] = Land, Design, Construction
[L,D] = Land & Design only

[C] = Construction only
[A] = Acquisition

Table 1

Table 2

REGIONAL BUS PLAN - GRANT WORKSHEET

AS OF 3/1 (in $ 000's)

PROJECT	PE GRNT	AWARD 3/93 Orig. 1st CONSTRUCT GRANT FY 93	AWARD 10/93 2ND CONSTRUCT GRANT FY 94	AWARD 12/94 3RD CONSTRUCT GRANT FY 95	AWARD 12/95 4TH CONSTRUCT GRANT FY 96	FUTURE CONSTRUCT GRANTS FY 97-00	TOTAL ALL GRANTS
PRELIMINARY ENGINEERING	8,000						8,000
DOWNTOWN TRANSIT CENTER	X	17,430					17,430
MAIN STREET TRANSIT STREET (MALL)	X	19,540					19,540
DOWNTOWN/MIDTOWN TRANSIT STREET IMPROVEMENTS	X	110,455	49,766				160,221
SOUTH MAIN TRANSIT ST RECONSTR. (TMC IMPROV)			11,500	18,600			30,000
SOUTH MAIN ADDITION TRANSIT CENTER				11,938			11,938
SPECIAL SHELTERS & OTHER AMENITIES				600	600	200	1,400
GREENWAY PLAZA RAMP		6,436					6,435
WESTPARK HOV LANE (L, D)		30,760					30,760
WEST BELT PARK & RIDE (L, D)	X	(Incl)					(Incl)
FONDREN PARK & RIDE (L, D, C) (See Note 1)							0
GESSNER PARK & RIDE (L, D)	X	(Incl)					(Incl)
WESTPARK HOV LANE (C)				104,137			104,137
GESSNER PARK & RIDE (C)	X				4,200		4,200
WEST BELT PARK & RIDE (C)	X				9,600		9,600
WESTPARK HOV LANE EXTENSION TO SH 6						60,000	60,000
MISSION BEND PARK & RIDE - PH 2	X					3,229	3,229
SW HOV RAMP TO RICHMOND/POST OAK (D)	X				1,320		1,320
SW HOV RAMP TO RICHMOND/POST OAK (C)						10,266	10,266
LINEAR TRANSIT CENTERS (L,D)	X				1,300		1,300
LINEAR TRANSIT CENTERS (C)						406	405
NWTC RAMP TO N. POST OAK RD (D)	X				639		639
NWTC RAMP TO N. POST OAK RD (C)						4,993	4,963
POST OAK BUS LANES (L,D)	X			2,000	37,000		39,000
POST OAK BUS LANES (C)						19,289	19,289
SHEPHERD/DURHAM TRANSIT CENTER	X	12,440					12,440
KATY/CBD RAMP	X	28,780					28,780
KATY HOV LANE EXTENSION TO MASON RD						30,000	30,000
RELOCATED GESSNER SLIP RAMP	X			738			739
NWTC - INNER KATY CONNECTOR	X		6,697				6,697
NW HOV LANE EXTENSION TO FAIRFIELD						35,000	35,000
LOUETTA PARK & RIDE	X					7,341	7,341
NORTH SHEPHERD PARK & RIDE T-RAMP					10,000		10,000
EASTEX HOV RAMP AT QUITMAN	X	16,326					16,325
EASTEX HOV EXTENSION TO KINGWOOD		40,110					40,110
EASTEX HOV RAMP AT WILL CLAYTON		(Incl)					(Incl)
EASTEX HOV RAMP AT TOWNSEN PARK & RIDE		(Incl)					(Incl)
EASTEX HOV TERMINUS AT KINGWOOD		(Incl)					(Incl)
TOWNSEN PARK & RIDE	X	10,160					10,160

Table 2

REGIONAL BUS PLAN – GRANT WORKSHEET
AS OF 3/1f (in $ 000's)

PROJECT	PE GRNT	AWARD 3/93 Orig. 1st CONSTRUCT GRANT FY 93	AWARD 10/93 2ND CONSTRUCT GRANT FY 94	AWARD 12/94 3RD CONSTRUCT GRANT FY 95	AWARD 12/95 4TH CONSTRUCT GRANT FY 96	FUTURE CONSTRUCT GRANTS FY 97–00	TOTAL ALL GRANTS
GULF HOV/US 59 SOUTH RAMP	X					19,195	19,195
BUS OPERATING FACILITY #6	X	40,540					40,540
BUS OPERATING FACILITY #6 (L,D)				12,875			12,875
BUS OPERATING FACILITY #6 (C)					37,125		37,125
FACILITY EVALUATION				10,000	7,500	7,500	25,000
LNG FACILITIES				2,000	2,000	900	4,900
LNG MANUFACTURING PLANT						15,000	15,000
CENTRAL CONTROL FACILITY	X	4,325					4,325
RIDESHARE COMPUTER		500					500
ADVANCED TRANSIT SCHEDULING SYSTEM		500					500
GEOGRAPHIC INFORMATION SYSTEM		1,000					1,000
REGIONAL COMPUTERIZED TRAF SIG SYS		10,000	5,000	20,000	20,000	65,000	120,000
TRANSIT STREET RECONSTRUCTION		5,000	25,000				30,000
AUTOMATIC PASSENGER COUNTER		1,000					1,000
AUTOMATIC VEHICLE LOCATOR		6,400					6,400
LNG COMPONENT FOR ALL BUSES		5,500		8,000	8,000	29,100	50,600
BUS ACQUISITIONS	X	10,000		10,600	15,000	57,100	92,700
ANNUAL							
***** TOTAL PROGRAM COSTS ...	8,000	377,200	98,163	201,388	154,184	354,528	1,193,463
****** FEDERAL SHARE REQUIRED...	6,400	188,600	49,082	100,694	77,092	177,264	599,132

Note 1: Fondren Park & Ride is not included in current cost estimate for the Westpark HOV Lane Project.

*** TRANSFERRED PROJECTS ***							
INNER SOUTHWEST SLIP RAMP					701		701

Subtotal....	$1,194,164
Net differences from Budget..	4,347
	$1,198,511

TABLE 3

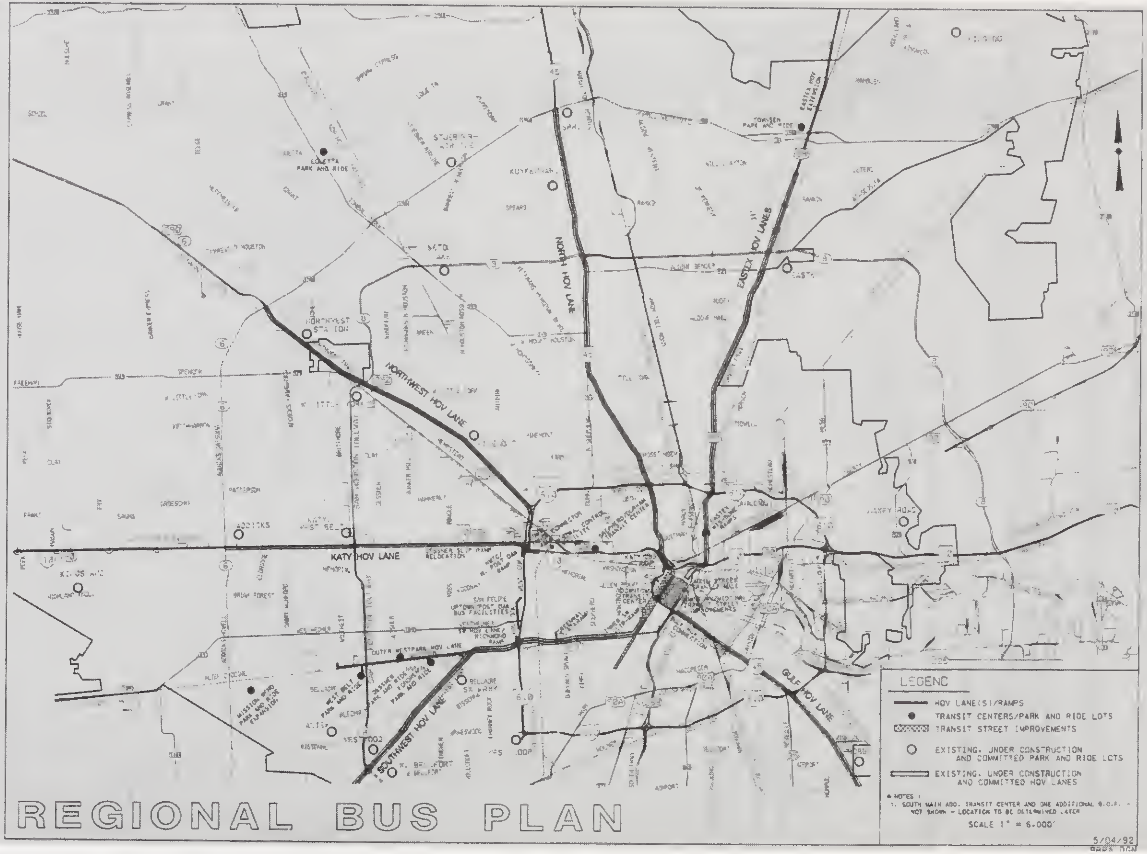
HOUSTON METRO
REGIONAL BUS PLAN OBLIGATION SCHEDULE
($ Millions)

Federal funds available through FY1993:	$195.2
Obligations through FY1993	
Preliminary engineering grant	(6.0)
1st Engineering/construction grant	(141.8)
Available at FY1994 start	$ 47.4
Scheduled for FY1994 obligation	
Preliminary engineering grant	(.4)
1st Engineering/construction grant	(38.4)
Available at FY1994 end	$ 8.6
Required for 2nd Engineering/construction grant	$ 49.1
Available from previous authorization	(8.6)
Appropriation required for FY1994 program	**$ 40.5**

H:535GR

03/23/93

Figure 1


REGIONAL BUS PLAN
NORTH HOV LANE
EASTEX HOV LANES
EASTEX HOV EXTENSION
NORTHWEST HOV LANE
KATY HOV LANE
SOUTHWEST HOV LANE
GULF HOV LANE
OUTER WESTPARK HOV LANE
NORTHWEST STATION
LOETTA PARK AND RIDE
TOWNSEN PARK AND RIDE
MISSION BEND PARK AND RIDE EXPANSION
WEST BELT PARK AND RIDE
ADDICKS
KATY
SAN FELIPE
UPTOWN/POST OAK BUS FACILITIES
SOUTHWEST HOV LANE/RICHMOND RAMP
DOWNTOWN TRANSIT CENTER
TRANSIT STREET IMPROVEMENTS
LEGEND
HOV LANE(S)/RAMPS
TRANSIT CENTERS/PARK AND RIDE LOTS
TRANSIT STREET IMPROVEMENTS
EXISTING, UNDER CONSTRUCTION AND COMMITTED PARK AND RIDE LOTS
EXISTING, UNDER CONSTRUCTION AND COMMITTED HOV LANES
NOTES :
1. SOUTH MAIN ADD. TRANSIT CENTER AND ONE ADDITIONAL B.O.F. - NOT SHOWN - LOCATION TO BE DETERMINED LATER
SCALE 1" = 6,000'
5/04/92

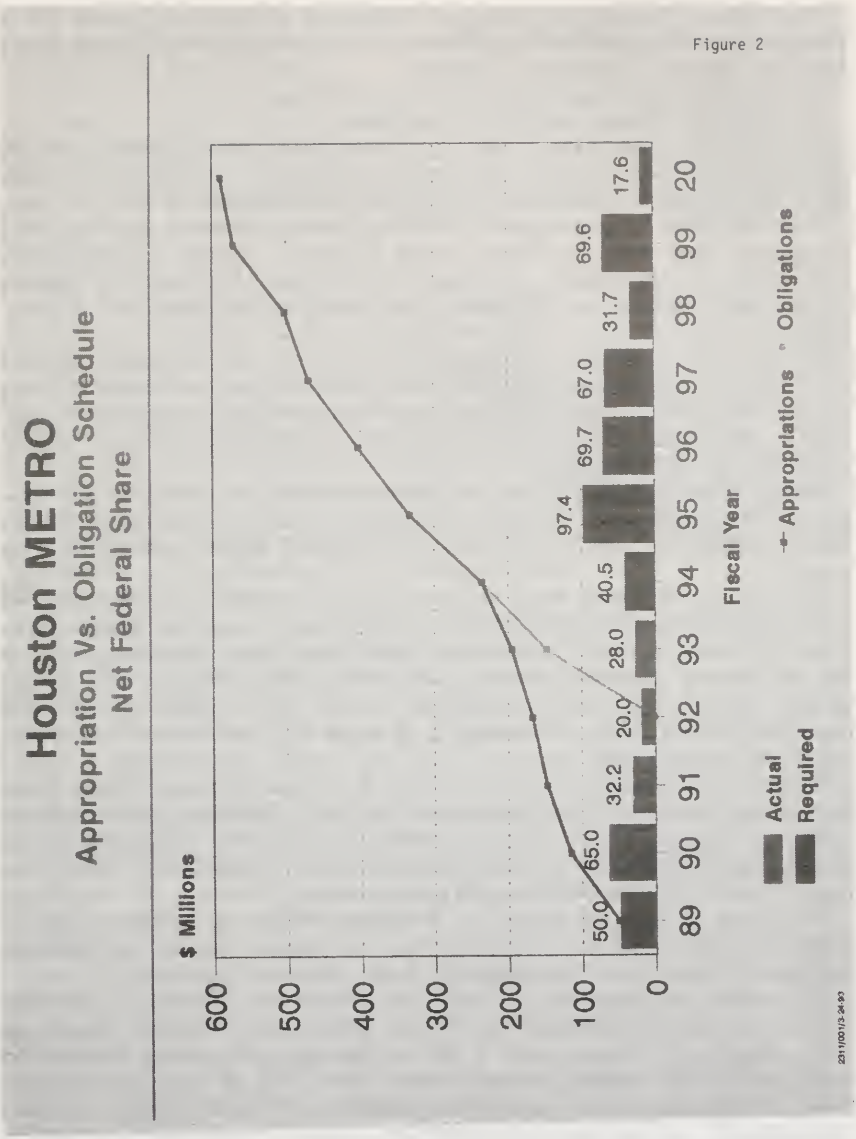


Figure 2

Houston METRO

Appropriation Vs. Obligation Schedule

Net Federal Share

Mr. CARR. Thank you, mayor. You have already delivered on a pledge many times. We were fortunate also to have Bill Burge from Houston Metro, Chairman of Metro.

Mr. Burge, you want to say a few words here?

Mr. BURGE. Thank you, Mr. Chairman.

Before I do start into a few brief remarks, I was told to keep it short and brief to keep your respect. Obviously, I qualified on the first part because I am short, so I have covered that.

I would like to introduce Bob MacLennan, who is our general manager; also with us today from Houston, Texas, is Holcombe Crosswell, another board member; and Dennis Gardner, our general counsel, and Dave Walden, who is Chief of Staff for Mayor Lanier.

I would just like to really keep it short and ad-lib a little bit off of what the mayor has said. But in 1988, we got a directive from the voters to run both an excellent transit agency and solve our traffic problems. It was reinforced with the election of Bob Lanier as the mayor of Houston.

We are moving ahead, as you know, with a billion dollar bus program for better bus as our backbone. Over 100 miles of HOV. When completed, we will have the largest HOV system in the world.

In addition to that, we are moving forward with preservation of railroad corridors, as Mayor Lanier alluded to, with the demonstration for commuter rail. We think, with those big-ticket items before us, we have a network as we go 20 years in the future to be ahead of the curve. And if we are ahead of the curve, then we will not come to you for large dollars such as some of these cities that wake up after it is too late.

There is an article in Urban Land Institute, which I think Tom DeLay has, which talks about the fact that Houston takes a business-like approach to regaining mobility. And that is exactly what Bob Lanier stands for. And that is what Metro stands for. When we come to you all, the dollars will make sense.

We have a general mobility program which is funded with 25 percent of our sales tax, which we use in tandem with your Federal dollars to make sure we integrate these systems together.

With that in place, we are set to address the Clean Air Act. As Mayor Lanier has alluded to, we can address it in three ways: one with clean fuel, which is our LNG, which we are moving forward to equip all of our buses; secondly, with the HOV, it allows for exclusive car pools and our buses; and, thirdly, by monitoring and managing traffic is the most cost-effective way to move traffic quickly, and, therefore, cut down pollutants.

I think that if we, as a city, can continue on the road we are going with some level funding, we currently have $188 million, which we hope you all have been so gracious to work with us and should be kicked loose hopefully within the next few days—by 1994 we will have obligated all of our money in addition to 40 and a half million dollars, which I would like to respectively ask the committee today that they consider for our fiscal year 1994 funding.

We feel that in light of Metro's past credibility, our ability to come with a cost-effective system and our ability to move quickly, not only will there be job creation but, more importantly, there will be an answer to mobility in a way such that Houston will, once again, be a premiere city—as it has in the past—as we go forward in the next 20 years.

So, Mr. Chairman, I appreciate being able to make these brief comments. And we stand ready for questions.

Mr. CARR. Thank you. I want to mention to you, just before calling on my friend from Texas, that Mr. Coleman was here earlier and wanted to extend his best wishes to you. He wanted to be here. He was here earlier, but he had another conflict that he had to scurry away to.

Mr. DeLay.

Mr. DELAY. Thank you, Mr. Chairman, and—this committee knows and people in the audience know why everyone always wants the dean of our Texas delegation to introduce you. Because of his eloquence and his levity, he always creates a warm feeling; and we appreciate the Chairman being here. And Mr. Mayor and Elyse, thank you for being here.

If I may ask a couple of questions, Mr. Chairman, regarding a few things that have been coming up in the paper and maybe in the minds of the subcommittee. Last week I asked a question regarding the granting of funds that have been appropriated by this committee of the Secretary of Transportation.

What is the status of those funds? Have you heard from them and can you give us some idea as to what problems the FTA is having in going ahead and granting those funds?

Mr. BURGE. Well, as of late Friday, Congressman DeLay, we feel like we probably have taken the logjam and moved it down the road and moved it right here to Washington, D.C. We did get basically a concurrence from the Fort Worth office that all the items that we thought were an integral part of our regional mobility system were included. There were a few items, but they are only $5 or $6 million. We plan to go back to Fort Worth Tuesday to work out those differences and hopefully be up here within that same week in the grants department to sign off. So I think that we see daylight at the end of the tunnel.

We just ask, in order for us to proceed quickly with the obligations, which we are ready to do, that this committee continue to monitor it closely for us; but we feel like through your support and help of what we are doing, that we have—should have a quick answer, one that we want.

Mr. DELAY. So you feel pretty comfortable that FTA, even though we don't have an administrator yet feels comfortable with Houston's Regional Bus Plan. They have checked it all out? They are not going to give us any trouble this year or next year?

Mr. BURGE. I think we have convinced them that the $160 million, which is roughly what we have on our downtown streets and that downtown terminal are—that was the biggest issue. Once they got into the other items, the high-tech items, traffic management, that were so key, they bought into. So we are now fighting amongst that one topic and I think we are there. But we do need to get this thing behind us within the next week or so. It is something that if it drags on, as things will do, it will damage our ability to move forward and obligate this money, and they are set to go.

Mr. DELAY. In your testimony you are asking for $40.5 million?

Mr. BURGE. Yes.

Mr. DELAY. We have been asking for $50 million over the years. Give me an idea of why you asked for $40.5 million and emphasize what that means to spikes in later years.

Mr. BURGE. That was the concern we—what we were going to come to in 1995 or hit you up—in the 87, $89 million range. And what we have always consistently wanted to come to you with a level of $50, $60, $70 million and avoid these spikes; it also allows us a constant flow of our contracts in dollars.

We have—out of respect to where the budget cuts may come, we have looked in and said, why don't we try to live within what we can actually obligate in 1994, which is the $40.5 million, and that is really how we came to the conclusion to ask for nothing more than what we could obligate. But from a standpoint of leveling out, we could work through with a $50 to $60 million.

Mr. DELAY. To reemphasize that, what this $40.5 million represents is the amount of money plus—let me back up.

If this grant is approved by the FTA, Metro will be able to obligate 75 percent of the funds before the end of FY 93. Is that correct?

Mr. BURGE. Yes, for this year.

Mr. DELAY. So, the 40.5 plus the 25 percent that is left is what you can obligate before the end of FY 94?

Mr. BURGE. That is exactly right.

Mr. DELAY. But that puts us in a different position than this committee has taken in the past of trying to level off any spikes that may happen.

Mr. BURGE. Yes.

Mr. DELAY. Mr. MacLennan, regarding Federal obligations and spending, how much—does the obligation and outlay rate accelerate? Well, you have already answered that, I think. Yes.

As a measure of Houston's strong commitment to this project, you have offered to fund this program at a 50/50 split. What is the total estimated cost of the program today?

Mr. BURGE. $1.2 billion.

Mr. DELAY. Can you detail for the committee how you intend to meet your share of the capital costs?

Mr. BURGE. Generally it is going to be through—our sales tax revenues will be the majority of it and the interest on those funds will be the majority way that we will do it, but we will have—in addition to that, we have our fare revenues and we have some State and county funds in there too that will be doing matching projects.

Mr. DELAY. You mentioned in your statement that the regional bus plan will be complemented by a locally funded traffic management program. Can you describe this program and any other local initiatives Houston has taken on its own to support the regional bus plan?

Mr. BURGE. Of course, our CTC, which is our command center, will be the focus of what we are talking about; but we have—in addition to that, we have, as the mayor has alluded to, our event management. We have a system called MAP, which is our motors assistance program, incident management where we get in and get the wrecks off the freeway quickly, a combination of those, going to synchronizing all of our street lights and looking at various smart systems, such as that to integrate the traffic management.

Bob, you may want to kick in an item or two.

Mr. MacLennan. Let me just add to that, we have a general mobility program, that is our term for it, that relates to the construction, reconstruction and maintenance of the major arterials and major collectors in town, as well as intersection improvements and grade separations. We provide 25 percent of our sales tax income to that part of the program. Balancing that, we ask for participation from the city, the county, as well as private citizen groups, to support the program.

We have been very effective in getting a 50/50 match on that program which has no Federal money in it. That particular program has a bottom line value of—itself, of about $1.9 billion today, half of it funded by Metro and the other half funded by these other entities, even to private citizen associations. We actually get checks from private civic groups towards the construction and maintenance of some of the roads in town.

Mr. DeLay. Mr. Chairman, I appreciate you letting me take this little extra time, because I think it is really important to emphasize things like that that show that Houston is really on the cutting edge of true intermodalism and showing how all these entities and authorities come together and work together, including the private sector.

I wish Utah would have stayed and seen some of this. I think you would have answered some of their questions about what they were doing.

But let me get to a little controversy, Mr. Mayor. I do appreciate the hands-on approach that you take to that office, and because you do take such a hands-on approach, you get into some controversy. I have noticed lately that some of the editorial pages and the columns in our Houston papers are calling for rail to return, and there has been some controversy regarding the use of transit dollars to fund nontransit activities. In fact, the Houston Chronical reported that, quote, "A key part of Metro's plan was rejected," close quote. Is that an accurate statement?

Mr. Lanier. I don't think so. They pretty much from date of inception to date—first of all, Metro was funded as a general mobility agency. The statute says it builds the transit system and has the ability to move into general mobility matters such as streets, roads, highways, traffic management. That is what it says; that is what it was originally voted to do. From date of inception, we spent roughly 9 percent of the funds in the general mobility area.

Five years ago, the voters voted to spend at least 25 percent of Metro funds on general mobility matters. During those five years, including my first year of service, we have spent less than that 25 percent. We are not yet up to the minimum voted and mandated by the voters.

With respect to the editorial in the other paper that interpreted a poll they did as sort of a cry that we are moving too slowly on rail, the weakness there was in their math. If you—it had two questions and you had to perform the complex task of interrelating one question to the other in order to get the numbers. And the numbers basically were that 26 percent of the people thought rail was very important, 37 percent thought it wasn't important at all; and then the rest, who were kind of in the middle, said, hey, it depends on the particular rail system, whether it works or not.

For the last 15 years, the poll data in Houston has pretty much been in the range of 30 percent like rail, in the range of 30 percent don't, and the 40 percent in the middle want one that works and doesn't want one that doesn't work. That is about where it is now except the support for rail has moved from about 30 percent down to 26 percent. Perhaps that is a mandate. If so, it is barely perceptible.

Mr. DeLay. Thank you, Mayor and Chairman and Bob MacLennan and particularly you, Dean, for appearing today. You always do a good job and make us proud in Houston, who has their hands on our transportation problems.

And let me just say for this panel, Mr. Chairman, again, that Houston greatly appreciates the support that this subcommittee has always given and the Chairman has always given to our transportation needs.

Mr. MacLennan. Let me add a couple of sentences to the question about traffic management, because I really think that is where the future of traffic in our country is and in our city.

In Houston, if you look at the use of the arteries, the capacity that is there, and the occupancy of vehicles, you will see that we are using less than 10 percent of our transportation capacity, less than 10 percent. If we could increase the capacity utilization by 5 percent—and I think that is easily doable, that is, increasing capacity utilization by 5 percent, which you do by putting a few more people per car, by spreading traffic, by doing a few other things—that is equal to 15 years traffic growth in a capital-neutral situation. That means if you can manage up the capacity utilization from something under, say from 9 to 14, you would accommodate 15 years of growth with no loss of space.

I use that example to show just the enormous potential that exists there. If you do 1 percent, increasing capacity utilization, you accommodate three year's growth of traffic—enormous statistics in my opinion. And if you realize, next, that is focused on a few key areas, like the Astrodome, medical Center, so forth, it focuses it even more tightly on the problem.

Mr. DeLay. Thank you, Mayor. Thank you, Mr. Chairman.

Mr. Carr. I want to add my—what I might say, the endorsement of the philosophy of Houston. I think you have hit the nail on the head when you talk about management. It is something that we don't get into that much here, and we probably should; and I must say that having sat through hours and hours and hours of testimony by various transit properties who want to buy things, we get very, very little from the standpoint of how do you manage better the things we have.

It seems as though communities all over America want to get things, and get them with Federal dollars if they can; and I think your last point about managing the resources we have better may reduce the need that we have for things, capital assets and the like.

Mayor, I have one more question for you, but before I do, Mr. Burge, you said that you could obligate $40.5 million. What would be the spend-out rate of that?

Mr. BURGE. Our general manager says it would be slower than that because of going through the——

Mr. MACLENNAN. We have some projects that we can put immediately into construction, but practically speaking, a significant portion of this is related to design work. We have only been authorized, to date, for preliminary engineering. We still need to prepare some final designs in order to develop that spend-out.

Mr. CARR. What dollar figure would you need from the standpoint of cash flow?

Mr. MACLENNAN. I can provide that to you. I don't have it with us.

Mr. CARR. Okay, thank you.

This is a bit off the subject of today's hearing; however, just recently we have held a hearing on high speed rail, and we had testimony from Mr. Salci of the Texas TGV, we had a briefing from Morrison-Knudsen, a major participant of that effort, and we have also had Herb Kelleher from Southwest Airlines testify before the committee. While it isn't typically the discussion here today, I can't miss the opportunity to have Houston's mayor and a person who has made a reputation of arguing for managing better what we have instead of having grandiose things, does that same philosophy fit with the rail?

Mr. LANIER. Probably. They—the problem, first of all, I don't think—I served on a high speed rail agency for awhile, and when they got the authorizing statute in Texas, we opposed it up to the point—at that point they said they could build with private bond funds.

I didn't believe that. So we opposed putting any State tax money into it, and they got the ability to get a franchise if they could do it without State money.

I don't believe the high speed rail can be built anywhere without substantial Federal assistance. I think if the Federal Government decides to do that, I believe the Dallas–Houston leg is relatively attractive because you have got a kind of right-of-way with a minimum of environmental and other types of problems and the distance is about right.

Having said that, I think the high speed rail faces the basic difficulty that it is difficult to attract passengers off a mode that moves faster onto a mode that, on a net basis, moves slower. And you can hire consultants until the world looks level, and I have thought, after you do that, if you are asking people to get off something that moves fast onto something that moves slower, you need a wonderful salesperson. And I don't think that has worked from steamships, to rail in the cities, to buses.

If you look at effective travel time and you look at whether or not, when they get there, they have got something to make the second and third trip and look at parking and so forth, I think you can pretty accurately predict motion entities' ridership. I think if we have a high speed rail network in this country we are going to have enormous capital expense. If I were voting, I would put that expense into managing and maintaining the system that we have.

If you are going to do it anyway, I think the Dallas-to-Houston line is a pretty good competitor.

Mr. CARR. Thank you, Mayor. Thank you, Mr. Burge. Thank you. It has been a pleasure having you here.

[Additional information submitted by Hon. Tom DeLay follows:]

An RX for traffic congestion: diagnose the problem, determine the cure, and swallow the cost.

Houston Takes A Businesslike Approach to Regaining Mobility

ROBERT T. DUNPHY

In the early 1980s, the Sunbelt's "golden buckle" boomed and infrastructure could not keep up. So traffic piled up. While this scenario repeated itself in city after city in the United States in the 1970s and 1980s, Houston found a way out through its private sector. Business leaders made a serious effort to find out how bad things really were and what it would take to fix them. And they spearheaded the program to do something to restore mobility.

The Regional Mobility Plan

Houston was one of the early beneficiaries of the modern highway building era. Its freeways and arterial streets offered Houstonians a high level of mobility during the 1960s. Between 1970 and 1980, however, freeway capacity was increased by only 22 percent, while daily travel more than doubled. Average afternoon rush hour freeway speeds dropped from 37 to 24 miles per hour, and congestion spread throughout much of the metropolitan area and much of the day. At the same time, the ailing city bus system was struggling to survive.

Rescue of the bus system came first. In 1978, voters created the Metropolitan Transit Authority of Harris County (MTA), funded by a 1 percent sales tax. Then, in 1981, the Houston Chamber of Commerce established a transportation committee, headed by the late John Turner (a Houston developer), which assembled all of the agencies needed "to identify transportation projects that will provide substantially improved mobility throughout the Houston area."

Representatives from public and private sector interests formed two groups to explore ways of meeting the mobility goal. The so-called "supergroup" was a coalition of high-level elected officials, executive branch officials, and civic/business leaders. It included Houston's mayor, Harris County's chief elected official, the State Highway Commission chair, the Metropolitan Transit Authority (Metro) chair, and Turner representing the Chamber's transportation committee. The second group was a technical committee of operating agencies chaired by Donald Williams, then president of the Rice Center.

The basic starting idea was that the various elements of the transportation system—arterial streets, freeways and tollways, buses, high-occupancy-vehicle (HOV) facilities, and high-capacity transitways—are interdependent. All would have to be considered in planning a transportation system for greater Houston.

The two groups identified improvements that were needed to meet current demand, to complete the system, and to serve new growth. And they estimated the costs of meeting mobility goals. Their budget for attaining an acceptable level of mobility was not limited by existing revenues.

The analysis by the two groups yielded a shocking fact. The proposed Regional Mobility Plan (RMP), a plan to meet current needs and accommodate 1 million new residents, would cost $16 billion over the next 15 years, compared to a business-as-usual budget of $9 billion. Most of this—60 percent—was needed to meet current demands.

Acknowledging that no single mode of transportation, no single agency, and neither government without business nor business without government can succeed in improving mobility, the 15-year RMP proposed to meet current needs and future growth with a full range of facilities.

More Roads. About 42 miles of existing freeways would be widened and 250 miles of new freeways—including 26 miles of toll roads—and 1,400 miles of new arterial lanes would be built.

Interconnections. The city's reliance on developers to build parts of planned major streets as they constructed adjacent developments had left Houston with a partially completed grid. Some 34 miles of freeways would be added to fill the gaps in the system.

Real Estate Benefits

The improvement in regional mobility has been good for property owners and developers in Houston. Greenspoint, for example, a mixed-use project of Friendswood Development Company, one of the city's leading developers, was troubled by transportation woes. Started in 1978 in a northern location adjacent to I-45 and convenient to Intercontinental Airport, Greenspoint was prohibitively far away, timewise, from downtown and most residential areas because of congestion on existing north/south routes and the absence of any east/west connections.

The project was greatly enhanced when, under the Regional Mobility Plan, the Hardy Toll Road running north/south from downtown to the airport and the Sam Houston Tollway, which offers east/west access from Friendswood's holdings on I-45, were built. Friendswood's president, John Walsh, was one of the leaders of the process that produced the RMP.

On the west side of town, the suburban markets adjacent to the Sam Houston Tollway saw marked increase in activity following the opening of its third phase. According to Charles Gordon, Trione and Gordon cochair, quoted in *Commercial Property News* (May 1992), "There's no question the tollway has been a boon to that area." Michael Gerney, president of Vantage Houston, reports that office rents have increased due to the improved access—from $10 per square foot for Class A space prior to the tollway to an average of over $13 in spring 1992. Donald Williams, the RMP technical committee chairman, who is now a real estate consultant with Leslie Dwyer Williams, confirms the dramatic change in this area. "The Sam Houston Tollway," he says, "has reshaped the office market, melding two submarkets I-10 and Westchase separated by distance into one."

Bus Improvements. Several thousand new buses and associated maintenance facilities and park-and-ride lots would be provided.

Bus and High-Occupancy-Vehicle (HOV) Facilities. Ninety miles of lanes on existing and new freeways would be dedicated to buses and HOVs, representing the largest such system in the United States. (At the time, Houston laid claim to being the vanpooling capital of the world, with more than 2,200 vans in daily use.)

High-Capacity Transitways. More than 30 miles of high-capacity transit facilities—nonrail or rail, the plan was deliberately vague on this point—would be provided to serve the highest travel-demand corridors and activity centers, connected to bus, HOV, and highway feeder routes.

Maintenance and Replacement. Maintenance and replacement needs, which are frequently ignored in transportation plans, were allocated a budget to ensure that new facilities would be adequately maintained.

Finding the Funding

One of the major accomplishments of the RMP, according to Roger Hord, vice president of the Greater Houston Partnership, was that it "focused official and public attention on the problem, and offered marketing to make the case for tax increases." The need for additional revenues to finance Houston's ambitious transportation programs became widely accepted, first by the business community and then by the government and the public.

The funding package included new gas tax revenues, increases in the area's share of state funding, tolls, bonds, and a dedicated fund for transit improvements—at an annual rate of $1 billion a year.

Increased State Funding. The largest source of potential revenues was the State Motor Fuel Tax, at the time the lowest in the nation. Houston benefited from the increase of $0.05 per gallon in federal gasoline taxes passed in 1983 and a companion increase of $0.05 in state gas taxes in 1984, as well as substantial increases in vehicle registration taxes in 1984, and a more equitable allocation of state taxes. These funds now contribute $500 million annually. An additional kicker came in the form of a 1982 amendment to the Surface Transportation Act by Texas's then-U.S. Senator Lloyd Bentsen, which increased from 75 to 85 percent the share of federal transportation taxes collected in the state that would be returned to the state—an extra $200 million.

Transit Sales Tax. Several attempts to curtail the 1 percent sales tax earmarked for transit were resisted, and it currently generates $180 million annually. These funds now pay for a range of highway services considered by most transportation professionals not to be typical transit expenditures.

City and County Road Bond Programs. In 1984, city voters approved the largest public bond program ever undertaken in Houston, of which $295 million went to street, bridge, and traffic control programs. Harris County officials and voters approved street and bridge bond programs totaling $201 million in 1982 and $255 million in 1987.

Toll Roads. In 1983, voters approved the Harris County Toll Road Authority with $900 million in authorized bonds. Toll roads proved to be "an absolutely essential spark and component of the mobility plan," according to the RMP 1989 report. They stimulated the highway department to build related feeders and interchanges and demonstrated the willingness of Houston drivers to tax themselves to pay for improvements.

Private Sector Participation. The private sector built more than 350 miles of arterial highway lanes between 1982 and 1988, almost one-third of the arterial street expansion during this period.

Concrete Results

A review of the RMP by the Greater Houston Partnership's Committee on Regional Mobility in 1989, midway through the RMP's planning horizon, reported that the plan, despite a wrenching recession, was on track to meet its goals. Spending levels had increased, reaching the goal of $1 billion per year for each of the previous three years—for a total of $6.5 billion between 1982 and 1989. This paid for projects—completed or under construction—that were adding 43 percent to freeway capacity and 27 percent to arterial capacity.

Houston's transit system had expanded service by 57 percent, with a concomitant 65 percent increase in ridership. Two major toll roads had been built—the 21-mile Hardy Toll Road and the 28-mile Sam Houston Tollway. Nearly 53 miles of a planned 95 miles of transitways were completed or under construction. And 1,725 lane-miles of arterial streets had been completed. Perhaps the most impressive aspect of this rebuilding effort is that it persisted through horrible economic times. Houston's mayor during this period, Kathy Whitmire, says that through the recession, "Elected officials never swayed from the commitment to improvements in infrastructure," which included not only the transportation improvements, but also water projects and a convention center.

The results are obvious. Average freeway speeds during the evening peak have increased by seven miles per hour—nearly 20 percent. Arterial street congestion levels have been reduced by 52 percent. The average distance a motorist can travel from downtown in 30 minutes increased by 52 percent between 1982 and 1988. Reaching Houston Intercontinental Airport from downtown, a trip that once took nearly 50 minutes in an incident-free rush hour, consistently takes 30 minutes on the Hardy Toll Road.

Public transportation has come a long way. Transit plays an important, albeit small, role in the transportation system. Bus ridership has grown by 65 percent, the greatest relative increase of any urban area during the 1980s and a sharp contrast to national trends. On-time performance of the bus system, a source of media criticism when the original RMP was prepared, increased from 39 percent in 1982 to 97.8 percent in 1988. Metro buses serve 6 percent of all regional work trips and 1.6 percent of total trips, and Metro's share of travel is expected to increase.

Finally, Houston is well on the way to completing the world's largest transitway system—95.5 miles of dedicated bus and carpool lanes. At the end of 1990, a total of 46.5 miles of HOV lanes served 67,000 persons each day, a 50 percent increase in one year. This unusual hybrid highway /transit project is the "result of the synergy between transit and highway agencies working together," according to Tim Lomax, a research engineer with the Texas Transportation Institute (TTI).

The only transit component on which no progress has yet been made is rail.

According to an index compiled by TTI, congestion levels have improved 8 percent between 1984 and 1989, despite a 9 percent increase in traffic volumes. This improvement contrasts with virtually all 27 large urban areas examined by TTI. All but two of these areas suffered worsening congestion during the same period. The two exceptions—Detroit and Phoenix—showed moderate improvement.

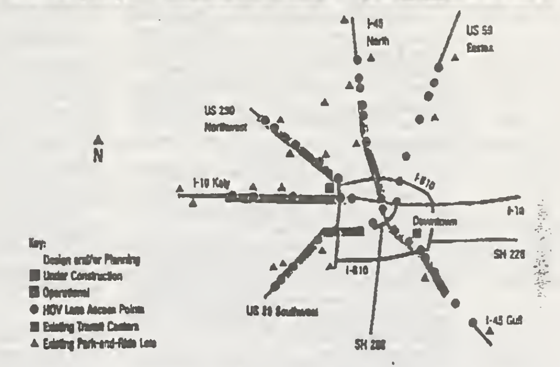
This success has not brought (progress-halting) contentment. The RMP steering group has rededicated itself to continue the $1 billion annual funding levels through 2000, and to add $2 billion of private and toll projects to achieve a congestion level of 0.9—defined as light to moderate congestion.

In addition to assuring that the RMP was on track, the 1989 review offered a few suggestions. Strategic thoroughfares, a concept also being considered in Chicago and built in Orange County, California, would improve travel on existing arterial streets and provide relief for the freeway system. Computerized transportation management could manage and improve the efficiency of existing freeways, tollways, and adjacent arterial streets by as much as 25 percent in congested sections. Also recommended was a high-technology network to link individual traffic signals. And development of a multimodal congestion index that would report on all passenger movement—not just cars—was suggested as a way of better quantifying congestion.

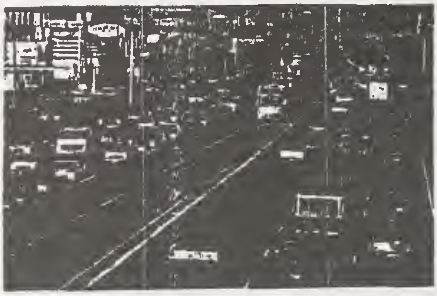
With so much success, the major challenge now seems to be keeping the faith among the believers, and convincing (or defending the plan against) the nonbelievers. Competition from rural interests and other cities could erode state funding. Battles over transit have taken their toll on the alliance between highway and transit supporters.

The years of hard economic times have taken their toll on Houston's business community as well. Its leaders are unable to dedicate the same intensity

HOUSTON TRANSITWAYS



Source: Dennis L. Christiansen and David E. Morris, "An Evaluation of the Houston High Occupancy Vehicle Lane System," U.S. Department of Transportation, June 1991.



A transitway offers buses and carpools a way around the congestion on main lanes of Houston's Katy Freeway.

of effort to transportation issues when their own companies are in dire straits. Finally, part of the problem of improving transportation is that it ceases to become the most important concern of the community. Of the RMP, Robert Eury, head of the Houston Downtown Association, says simply, "No one talks about it anymore."

Replicability

How did Houston succeed where others have failed? A crisis mentality helped. National media coverage of congestion Houston-style and independent studies convinced Houstonians that they topped the list of most congested U.S. cities, and they nearly did (only Los Angeles was ahead of Houston in 1984). Also helpful was the fact that Houston is a can-do kind of city, where business is respected and government is suspect. For business to take the lead in solving a public crisis was not seen as out of the ordinary.

And governmental structure in the metropolitan area is relatively simple. The city of Houston accounts for half of the region's population and virtually all of its jobs. Of the five counties in the region, Harris County is the major county and has the most transportation problems. It has one transit operator. The state department of transportation allowed the small supergroup to set the agenda and priorities and to facilitate this complex process.

As impressive as the Houston story is, the bigger question is whether it can be a model for other communities. Many of the useful ideas from the Houston experience are quite basic:

1) *Don't limit the options to existing funds.* Prior to the RMP, according to Hord, "the mindset in Houston had been existing resource allocation, often an easy option because elected officials and business leaders don't have to talk about tax increases." If the problem is serious enough, the public can be convinced to raise taxes.

2) *Agencies must work together.* The need for all involved government agencies to work together is one of the oldest maxims in transportation—and one of the most violated. According to Williams, "It's not that these guys don't know each other; they've been talking for years; their agendas were always competing with each other. The business community told them they had to work together, with the carrot being that we would all get more money, and that none of them would lose." The early agreements among agencies to support each other came unglued recently when the rail plan was defeated. This may be a lesson for other metropolitan areas as the new U.S. Surface Transportation Program legislation encourages greater flexibility between highway and transit projects.

3) *Private participation is needed.* The participation of Houston's business community validated the importance of the problem and invalidated the "doom and gloom" prognostications of transportation experts—engineers and bureaucrats. In a businesslike way, business leaders quantified the problem and the costs of solutions and proposed a time frame for action. They served as effective advocates for the needed improvements.

4) *There is no single solution.* The realization that Houston could not solve the problem with highways alone must have been quite a shock to the oil capital of the free world. A serious investment has been made in transit, which will continue to receive one-fifth of the regional transportation investment with only 1.6 percent of total market share (although transit carries a much more respectable 29 percent of downtown commuters).

5) *Have a measurable objective.* The clear goal of reducing congestion to a specific level—in this case, a congestion index of 0.9—made it possible to reassess the program at mid-term and to make some mid-course corrections. Without a measurable objective, some obvious successes might have led to complacency, to the detriment of further progress.

6) *Keep it simple.* Using civic and business leaders to spearhead the effort turned out to be an effective way to galvanize the troops. The supergroup process made for quick, effective decision making. Rather than deal with the entire region, it focused on Harris County and adjacent urban areas, where the vast majority of the transportation problems were located. While the trends nationally are toward more inclusionary planning, in other cities, multiagency planning efforts are often so loaded down with competing agendas that little can be accomplished.

Will it work in L.A.? Or even Peoria? It has to be tried. Houston's example shows that with the business community taking the lead and making a civic commitment, transportation problems that seem intractable can be fixed. ◆

Robert T. Dunphy *is a senior research director at ULI. This article is based in part on a program session—"The Houston Story: Boom to Bust to Recovery"—held at ULI's 1992 spring meeting in Houston. The research used in this article is part of ULI's project on metropolitan land use and transportation concepts.*

MONDAY, MARCH 29, 1993.

AMERICAN PUBLIC TRANSIT ASSOCIATION (APTA)

WITNESSES

RICHARD F. DAVIS, VICE PRESIDENT, GOVERNMENT AFFAIRS, APTA, GENERAL MANAGER, KANSAS CITY AREA TRANSPORTATION AUTHORITY, KANSAS CITY, MISSOURI

MARK J. OBERT, PRESIDENT AND CHIEF OPERATING OFFICER, GENERAL AUTOMOTIVE CORPORATION, ANN ARBOR, MICHIGAN

Mr. CARR. Our next witness will be Mr. Richard Davis, Vice President of Government Affairs for APTA; Mr. Mark Obert, President and Chief Operating Officer of General Automotive Corporation.

Good morning. I appreciate your patience. We took Congressman Brooks out of order to suit his schedule, and I hope it didn't unduly inconvenience yours.

Mr. DAVIS. No problem whatsoever.

Mr. CARR. Your statements will be made part of the record. I would ask in the interest of time that you summarize your basic points.

Mr. DAVIS. We will do that.

Good morning, Mr. Chairman, Members of the committee. I would like to thank you for the opportunity to testify on behalf of the American Public Transit Association.

We would like to first commend the subcommittee for its work on the economic stimulus package. We are most pleased that the House bill restores equity to the transit program, and we are pleased that it focuses discretionary funding on the bus industry. It is, however, only a first step towards achieving our top priority, and that is full funding of ISTEA in fiscal year 1994.

I know, Mr. Chairman, you have questioned some elements of ISTEA, but the fact is that transit has been woefully underfunded, and ISTEA is a good start on meeting transit needs. We are excited to work with you and the new administration.

This really is a time for new beginnings. However, there are some things that concern us. Our industry has borne the brunt of funding cuts during the last 12 years. As you know, the administration will propose full funding for highways but not for transit. The time has come for the Federal Government to promote an alternative to driving alone.

We overemphasize building more highways. We fail to deal with air pollution. Increased transit use, particularly in our cities, is as important a way to reduce energy use as our marginal increases in automotive fuel efficiency standards. We need transit in our congested cities for those who cannot afford or are unable to drive.

We hope that you and the administration recognize the value of investing in our cities, in our environment. Money is desperately needed to rehabilitate our old, worn-out systems, to build new ones, replace over-aged buses, vans, and rail cars.

Capital funding is essential but operating assistance is also vital. It makes little sense for transit systems to buy buses when they cannot afford to operate the buses they own. Operating assistance has been stuck at about $800 million since 1988 and it was higher than that throughout the early 1980s. Because of this, more and more transit systems are raising fares, laying off workers and reducing service; and we have been doing that in Kansas City. This creates a vicious circle where it results in ridership declines and a failure to realize the benefits of increased transit use. Transit systems must also comply with costly Federal mandates that further complicate the overall funding picture.

We are also pleased that the administration has proposed to deposit 20 percent of the 2.5-cent gas tax that now goes to deficit reduction to the transit account. In addition, Mr. Chairman, 10 years ago, transit received $1 for every $2 highways receive. Today we get $1 for every $4.50 for highways. This is more than a 50 percent decline.

We did ask, how do you balance our transportation investments? Transit helps to achieve national goals related to the infrastructure, the economy, environment, energy conservation and mobility. We hope you will help us to realize that promise by working with us to fund transit at the levels authorized for ISTEA.

Mr. Chairman, I would like to now turn it over to Mr. Obert.

Mr. CARR. Mr. Obert. Welcome.

Mr. OBERT. Thank you, Mr. Chairman. Mr. Chairman and Members of the subcommittee, my name is Mark Obert; I am Vice Chairman of the Flxible Corporation, a bus manufacturing company located in Delaware, Ohio, and President and Chief Operating Officer of General Automotive Corporation, Flxible's parent located in Ann Arbor, Michigan. I am here today to testify on behalf of APTA and particularly on behalf of APTA members from the manufacturing side of the transit industry.

I commend the Members of this committee for passing the supplemental funding bill which includes new funding for the section 3 bus program. This money will create jobs immediately and help ailing domestic bus manufacturers and our component suppliers. If this supplemental funding bill truly represents a commitment to increased, consistent annual transit funding in the future, bus manufacturers and their suppliers can begin putting people back to work in a matter of weeks.

Mr. Chairman, we agree that Federal transportation spending should be focused on long-term investments that upgrade our neglected transportation infrastructure. DOT reports confirm that 22 percent of the Nation's transit bus fleet exceeds useful life guidelines and is in urgent need of replacement. Full, consistent funding of ISTEA in 1994 and beyond is needed to restore stability to the supply side of the transit industry, and to begin nationwide transit bus fleet replacement with new technology buses which improve ADA accessibility and fuel economy, reduce operating costs and significantly reduce exhaust emissions.

Our industry is presently unhealthy. Equipment purchases for the last two years have been at an all-time low. Volume in our plant is less than half what it was two years ago. This past December we had to close our plant for several weeks because orders for bus purchases were so low. I guess you could say our workers were lucky that it was only two weeks and that they didn't lose their jobs altogether.

Bus purchases in the United States have been down over 50 percent during the last two years. Our bus manufacturing industry is now operating at only 25 percent of established capacity. Without an increase in the purchases of bus-related equipment and services, many businesses will fail or choose to permanently close their doors.

The reason businessmen abandoned the transit business is the lack of a predictable market. Full funding of ISTEA throughout the authorized period would restore transit bus market predictability and provide the required commitment to public transit. Because of mandates in the ADA and Clean Air Acts, new technologies must be developed.

Manufacturers operating in a stable market environment will be able and willing to do their own R&D on new technologies, technologies that will bring the next generation of needed transit equipment.

Transit is a good long-term investment. It will strengthen our economy in the long run. We believe better transit service will help reverse urban decay and revitalize our inner cities.

Quality transit service can also meet the needs of suburb-to-suburb commuters. If the administration's economic stimulus program has the anticipated jobs impact, transit will be needed to help people get to their new jobs.

It is in this committee that past transit funding policies can be reversed. We look to you for leadership, and we will do what we can to support you in that effort. Thank you, Mr. Chairman, for this opportunity to express from the supply side strong support for full funding of ISTEA in 1994 and beyond.

[The prepared statement of APTA follows:]

TESTIMONY OF THE
AMERICAN PUBLIC TRANSIT ASSOCIATION
BEFORE THE
SUBCOMMITTEE ON TRANSPORTATION
OF THE
HOUSE APPROPRIATIONS COMMITTEE

March 29, 1993

APTA

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INTRODUCTION

Mr. Chairman and Members of the Subcommittee, on behalf of the American Public Transit Association I want to thank you for the opportunity to testify on transportation investment in Fiscal Year 1994.

The American Public Transit Association (APTA) represents more than eleven hundred members, including bus and rail transit systems, their suppliers, and others committed to the advancement of transit service.

STIMULUS PACKAGE IS POSITIVE FIRST STEP TOWARD LONG-TERM INVESTMENT

We endorse the President's call for $752 million in additional FY 1993 capital funding for the Federal Transit Administration (FTA). This includes $482 million for distribution to states and metropolitan areas through the Section 9, 18, and 16 formula programs, and a $270 million increase in the Section 3 Bus Discretionary program.

We also commend you, Mr. Chairman, and members of this Committee, on passing the economic stimulus proposal. We are pleased that the House bill restores equity to the transit program and focuses discretionary funding on the bus industry.

The transit industry recognizes that the purpose of these funding increases is to stimulate the economy by moving forward with projects that will quickly create jobs. In fact, both the $482 million formula program increase and the $270 million bus capital increase are ideally suited to fulfill this objective of the President's economic stimulus program. We can also play a critical role in providing people with transportation to and from new job opportunities.

This is a very positive first step toward full funding of the federal transit program authorized by the Intermodal Surface Transportation Efficiency Act (ISTEA). The approved FY 1993 ISTEA funding of $3.6 billion was far short of the $5.2 billion authorized, but the $752 million supplemental goes far toward bridging the gap. APTA believes that transit funding should, at a minimum, be set at ISTEA levels in FY 1994, and we look forward to working with the Administration and Congress to reach that goal.

BACKGROUND ON TRANSIT FUNDING

Federal funding for transit declined precipitously during the eighties, a total of 52% in real terms in the last twelve years. In 1981, transit received 20% of all U.S. Department of Transportation (DOT) budget authority. By 1991, transit's share of DOT budget authority had dropped to less than 11%, about half of what it was a decade earlier. Federal assistance also meets a smaller percentage of transit funding needs than it did ten years ago. In 1981, federal assistance represented 78% of transit capital spending in urbanized areas; by 1989 the federal share had dropped to 61%.

In 1981, federal assistance was 15% of all transit operating revenue; by 1990 the federal share had dropped to under 5%. Federal operating assistance appropriated for urbanized areas declined by 56% in constant dollars between 1980 and 1992. In contrast, between 1980 and 1990, fares increased by 32% in constant dollars and state and local operating aid increased by 69% in real terms.

In 1981, highways received two dollars in federal funds for every federal transit dollar. In 1991, highways received four and one-half dollars in federal funds for every transit dollar. Over the past decade, federal budget authority for highways increased 60% while budget authority for transit declined by 30%. The decrease of transit budget authority by 30% does not fully show how much federal funding for transit has plummeted. The actual purchasing power of federal transit funds is less than half the level of a decade ago if inflation is considered.

The loss of federal funding has been accommodated by service cuts, fare increases, and more state and local assistance. Continuing to replace federal operating assistance has become more difficult for city, county, and state governments because of cuts in other federal and state programs.

Not surprisingly, the cuts in transit funding have meant only modest ridership gains in the 1980's. Replacing lost federal assistance by raising fares makes it almost impossible to achieve national goals. Each 10% increase in fares results in a loss of 4% of transit riders. National goals to reduce energy use, pollution, and congestion call for increased transit ridership.

THE ADMINISTRATION'S LONG-TERM PROPOSAL

President Clinton's proposal for the out-years calls for full funding for highways but not for transit. We are deeply concerned about this and want to work with you and the Administration on this issue. This Administration should not be perpetuating the same modal biases as the past two Administrations.

We want to work with Congress and the Administration for full funding of the ISTEA transit program in Fiscal Year 1994. That is the critical next step in implementing a program of nationwide transit investments that will sustain prosperity, enhance mobility, improve productivity, and meet the clean air, energy conservation, and other goals that we all support.

ISTEA created a carefully balanced program designed to meet the transit needs of urban, suburban, and rural areas in every region of the country. Full funding of each individual program at its authorized level is essential if the transit industry is to plan effectively for the next century.

I must note that even at the levels authorized in the ISTEA, transit funding is still well below 1981 appropriations levels in real terms. We recognize the pressure to reduce the deficit, but we also believe that we must make the investments required to meet transportation needs of the twenty-first century.

TRANSIT INVESTMENT NEEDS

Ease of movement is vital for every American and for the businesses and industries that create the nation's wealth. In many ways, our ability to travel is a measure of our quality of life and the competitiveness of our economy.

Today, our ease of movement is severely threatened. Major cities are regularly gridlocked, resulting in waste of energy and serious air quality damage. Suburbs are clogged throughout the day with traffic. The increasing isolation of rural residents is all too commonplace.

Inadequate public investment in transportation lies at the heart of the problem. In particular, we have failed to plan and invest adequately in the most fundamental mode of transportation: public transit.

Full Funding of Operating Assistance is Essential

Full funding of transit operating assistance would retain current jobs, support new jobs, and permit service expansion. Operating assistance in FY 1993 is $217 million less than the authorized level of $1.0 billion. These funds will prevent the layoff of drivers, pay for maintenance of vehicles and equipment, and avert cutbacks in bus and train service. Current formula apportionments to smaller urbanized areas in 24 states are insufficient to fund authorized operating limits. Operating aid to rural transit operators was reduced by over 14%.

There is a proposal that would dedicate any increase in operating assistance above the current level to helping to meet the cost of federal mandates such as included in the Americans with Disabilities Act (ADA) or the Clean Air Act Amendments of 1990 (CAAA).

This Committee may consider including such a provision in the FY 1994 Transportation and Related Agencies Appropriations Act to assist the transit industry in complying with these laws.

Expand Funding for Major Capital Investments

FY 1993 transit appropriations also fail to fully fund major capital investments in rail new starts and extensions, rail modernization, and bus facilities at levels authorized under the ISTEA. These funds would be used to support new rail systems and rail modernization that will serve transit riders in our most congested and polluted areas of the nation. APTA survey information indicates a demand of some $70 BILLION in such needs over the next five years.

Additional funds are needed to fund ISTEA-authorized programs for research and planning programs. These include the better coordination of transportation planning at the state and local level as required by federal law, and research and development aimed at the more efficient delivery of services.

Meeting the Cost of Federal Mandates

Over the past several years, Congress has enacted several comprehensive pieces of legislation that are imposing great costs on the transit industry. Both the Americans with Disabilities Act (ADA) and the Clean Air Act Amendments of 1990 impose mandates without providing the financing to carry them out.

The transit industry supports these laws and the policies they represent because the ADA will increase mobility for all people with disabilities and the Clean Air Act Amendments will help reduce air pollution and conserve energy. However, full funding of the ISTEA is necessary to properly implement the mandates established in both of these laws.

For example, in the provision of services to people with disabilities, there is a growing and alarming trend toward health and human service agencies discontinuing their transportation services for their clients and "dumping" them on the local public transit system who must provide service under the ADA. This practice adds a tremendous burden to an already challenging financial struggle.

The U.S. Department of Transportation estimates the national, annual cost to comply with the Americans with Disabilities Act of 1990 (ADA) ranges from $844 million to $1.3 billion. The costs covers lifts on buses, making key rail stations, transit centers and rail cars accessible as well as developing paratransit systems.

The Clean Air Act of 1990 requires reduced vehicle emissions. The annual cost to install exhaust cleaners and upgrade fuel is $110 million. One nationwide survey of transit systems found that installation of particulate traps on the U.S. bus fleet would cost an estimated $522 million.

We are hopeful that Congress and the new Administration recognize the value of helping the industry with the costs of federally mandated operating and capital increases resulting from federal mandates. If transit operators are forced to raise fares and reduce service to pay for federal mandates, there will be a corresponding reduction in transit ridership. This will undercut transit's ability to fulfill its role in achieving national goals related to the environment, congestion, mobility, energy conservation, and the economy. For every 10% increase in fares there is a 4% reduction in ridership.

FEDERAL GASOLINE TAX

APTA strongly favors extending the 2.5 cents per gallon federal excise tax on gasoline that is due to expire at the end of September 1995. We believe that this tax, now earmarked for deficit reduction and deposited in the General Fund, should be dedicated to transportation and deposited in the Highway Trust Fund (HTF). At least 20 percent of this tax, or one-half cent per gallon, should be designated for the Mass Transit Account (MTA) of the Highway Trust Fund.

It is our understanding that the Administration proposes to extend the 2.5 cents gasoline tax and dedicate it to the Highway Trust Fund with an 80/20 split between the Highway Account and the Mass Transit Account -- 2.0 cents for the Highway Account and a half-cent for the Mass Transit Account. We welcome the Administration's decision to uphold the traditional 20 percent for the Mass Transit Account and we urge this Committee to support this decision.

We do, however, have grave concerns about any proposal to let the Highway Account "borrow" from the Mass Transit Account if the Highway Account balance falls below a certain level. We urge that the two Accounts not be commingled in this way, and that they remain separate as they always have been.

Dedicating at least a half-cent to the Mass Transit Account is good public policy for three reasons. First, it is consistent with the Congressional decision to give states and local urbanized areas the authority to allocate flexible transportation funds. Second, the Mass Transit Account needs the revenue because of the growing importance of the Mass Transit Account in financing the transit program. Third, maintaining at least the historic 20 percent minimum for transit is an important sign of the Administration's commitment to the national priorities that are the basis for federal transit funding.

TRANSIT'S LINK TO NATIONAL GOALS

Increased investment in transit will produce a wealth of benefits and is a key to achieving national goals established by Congress, both in the short-term and long-term. Not only will transit help us achieve our national goals related to the environment, energy, mobility, job creation, infrastructure, and international competitiveness, but transit is also linked to many of the priorities President-elect Clinton has said will be on his agenda during the next four years.

Poverty and Urban Decay

President-elect Clinton has stated the need to address poverty and urban decay. Public transit plays an integral role in rebuilding America's inner cities and providing transportation services to our nation's economically disadvantaged.

APTA recently completed a survey which shows it is the economically disadvantaged -- often without an alternative means of travel -- who constitute the largest share of total public transit ridership. The survey also shows that 27.5 percent of transit riders have an income below $15,000. If one excludes the New York City Transit Authority, then the percentage of transit riders with incomes below $15,000 increases dramatically to 38 percent. This is nearly three times the 14.2 percent of Americans below the Census Bureau's poverty level of $13,924 for a family of four.

Transportation economists believe that income and public transit use are inversely related, so that transit demand increases as incomes decreases. Accordingly, increasing poverty will result in an increase in transit use. The Census Bureau reports that in 1991 the number of Americans below the poverty line increased to 35.7 million - the highest number since 1964.

The transit industry believes it can work hand in hand with the federal government to reverse urban decay, rebuild innercities, and stop the upward trend of unemployment. Rebuilding a community's transportation infrastructure will not only restore pride to the neighborhood, it will put people to work. An efficient transportation network will not only bring business and consumers to a community, it will allow people to commute to and from their jobs.

Health Care

Comprehensive health care legislation is a top priority facing the new Administration and the 103rd Congress. M. Joycelyn Elders, Director of the Arkansas Health Department, has been stressing for years that the missing link in a comprehensive health care plan is the ability to provide reliable transportation for those seeking medical attention. Public transit can fulfill that role by providing a safe, economical means for people to travel to and from their home to visit their doctor or hospital for routine care. This is true not only in our cities, but perhaps even more in our rural areas.

Impact on Manufacturers

Transit systems are not the only members of the transit industry that are affected by insufficient federal funding. This is a critical time for the supply side of the transit industry also. Purchase of equipment is at an all time low and has been estimated to be less than half of what it was several years ago. Most transit industry suppliers are operating in a cutback or layoff mode. Some are presently so weakened from the recession, that if there is not an increase in the purchase of equipment, goods, and services, business failures will result.

According to a survey conducted by the supply side of the transit industry, about one-half of the suppliers' business is transit related. But, this trend is down, and people are exiting this type of business due to unpredictable funding and procurement process. An estimated one-half of all suppliers have fewer than 25 employees. Small businesses are one of the areas with the highest percentage in new job creation. An increase in federal funding for transit will translate into new job creation and will help lift our economy out of the recession.

We have a strong national interest in maintaining the economic health of our transit supply industry. Reduced transit funding -- both capital and operating -- threatens the stability and viability of our suppliers and their ability to provide the goods and services needed by the industry to provide transit service. We need a strong transit manufacturing industry to meet the growing needs of transit operators over the long run. A healthy transit manufacturing sector can generate badly needed jobs and help to pull the economy out of the recession.

Transit Conserves Energy

The enhanced use of transit -- increased ridership -- must be part of any viable strategy to move our nation toward energy independence. Transportation is responsible for 63% of U.S. oil consumption, and oil imports are nearly 70% of our annual trade deficit. Transit is an inexpensive way to conserve energy. We estimate that every commuter who switches from driving alone to using transit saves 200 gallons of gasoline per year. If 10% of urban commuter trips were replaced by transit, more than 300,000 barrels of oil would be saved each day.

Transit's greatest contribution to energy conservation is to provide an alternative to single-occupant vehicle travel, the least energy efficient form of urban transportation. The industry's ability to provide this alternative is strengthened when it can expand services and keep fares low. Actions that force transit to cut services and increase fares will hamper transit's contribution to energy conservation.

Transit Reduces Pollution

The most effective, quickest way to reduce air pollution is to reduce vehicle emissions by convincing people to stop driving to work and to use transit. Higher average vehicle occupancy is the only means of ensuring that the same number of people can reach their destinations without increasing the number of vehicles on the road and, ultimately, the amount of air pollution.

When one person leaves a car at home and decides to commute via transit, 76 fewer pounds of vehicle exhaust pollutants are emitted over the course of one year. Moving people out of cars and into vans, buses, and rail is essential for achieving cleaner air.

Higher funding levels for transit are essential to enabling transit systems to increase ridership. This, in turn, will directly benefit air quality and communities' ability to achieve attainment standards.

Increased federal transit funding will allow the industry to introduce new technology to meet emission standards. Without additional federal support, the costs imposed on transit operators to underwrite new technologies may result in service reductions or fare increases that would send the wrong message to commuters. These actions would make current transit riders go back to driving their automobiles resulting in higher emission travel habits.

Transit Will Help the Economy

Every one million dollars invested in transit creates or maintains sixty direct and indirect jobs. Investment in operations and maintenance are especially productive, resulting in sixty eight jobs per one million dollars expended. Transit also provides essential transportation for other workers. A study by the Delaware Valley Regional Planning Commission, for example, found that shutting down the major transit system in Philadelphia would result in the loss of 175,000 jobs throughout Pennsylvania.

Transit Provides Mobility

Public transit provides essential mobility to citizens who are unable or who choose not to operate private vehicles. For people with disabilities, older Americans, the young, and the poor, access to transit can be the single most important factor in their quality of life and their ability to work, obtain education, and gain access to essential services.

Many senior citizens also depend on transit services. In rural America, nearly half of the elderly are in poor health and 60 percent are not licensed to drive. Expanded public transportation services are vital to provide these people access to essential health care facilities and other social services. The proportion of the population that is elderly will continue to rise, and we expect the demand for these services to expand as well. The number of persons over 65 will grow from nearly 26 million in 1980 to more than 65 million by 2030, and the growth rate in the very elderly population, over 75 years, will be even more pronounced.

Mobility is also a concern for low-income people, including workers and students who depend on transit. For people with limited incomes, transit can mean the difference between a decent job and unemployment. Some 28 percent of transit users live in households with annual incomes of less than $10,000. For most of these people, transit is the only transportation option. Transit is absolutely necessary to expand employment opportunities.

It is also worth noting that greater availability and use of transit services will improve mobility for people who continue to choose to drive. Anything that reduces demand for highway and road capacity will benefit those who remain on the roads.

Transit Reduces Congestion

Travel delays in the Nation's largest urbanized areas (UZAs) now cause two billion hours of time to be lost annually. Over the next 20 years, congestion will increase more than 400 percent on the Nation's freeway systems and over 200 percent on other roads, according to the Federal Highway Administration (FHWA). During this period, annual delay in travel time will increase by 5.6 billion hours. The cost of congestion on urban freeways alone, according to a Transportation Research Board report, will increase to $50 billion per year by 2005.

Transit provides a low-cost alternative to congestion. The investment costs of transit compare favorably with those of highway construction. Major urban highways can cost $100-120 million per mile, while busways can be built for $4-12 million per mile, light rail for $10-20 million per mile, and heavy rail for costs comparable to or lower than major highways.

Transit can substantially reduce congestion. Every bus full of passengers at rush hour removes at least 40 cars from traffic, every full rail car removes 75-125 cars from traffic, and every van full of passengers removes 13 cars from traffic. One high-occupancy vehicle (HOV) lane carries the same number of people as three regular highway lanes.

CONCLUSION

Once again, thank you for this opportunity to testify. I want to again stress our strong support for full funding of ISTEA in FY 1994 and beyond. APTA looks forward to working with this Committee on transportation funding issues for years to come.

Mr. Carr. Thank you, Mr. Obert, and Mr. Davis, thank you for being with us today.

I think you were here when I asked a couple of people what they thought of a national bus procurement policy. My experience in the bus business, with flexible—I am sorry to say, maybe it will be in the future, given that Ann Arbor is so close to my district. However, Pontiac, Michigan, used to be in my district, and I am familiar with the peaks and valleys of the bus business through the eyes of the General Motors Corporation. It appears that the same peaks and valleys are continuing today.

Would it be wise for the country to think about a national bus procurement program where we could give the business community a fairly certain level of orders each and every year, and then distribute the buses based on applications that were based in need?

Mr. Obert. Let me answer that, please.

On behalf of the supply side of the industry, such a national buy would be very welcome. However, as you heard from earlier presenters, there are some significant specification differences that exist across the country that in my view would make the packaging of such a national buy extremely difficult, and would make it very difficult for the bus manufacturers to achieve any economies of scale.

As recently as 1984, virtually every bus was the same. They had to meet white book specification that was promulgated by the Department of Transportation. The white book was thrown out in, I believe 1984 or 1985, and now every single bus order has significant differences. Those significant differences significantly increase our cost and make it very difficult to reach an economy of scale.

So, in my view, unless there was an extremely rigid set of specifications that enabled us to reach a high level of standardizations, the bus manufacturers really wouldn't benefit very much from it.

Mr. Carr. I thank you for that testimony. I think it would need to have some kind of fairly rigid specification. As the testimony indicated earlier, there might be appropriate latitudes for operational differences between altitudes, between terrain and a few other things, and I think it could be worked out.

But I get the hunch—and this is only a hunch, I don't want to unfairly accuse anyone—that we are not getting the bang for the buck as we end up financing differences that certain transit properties have come to associate as needs but really aren't. And my thought on that would be that if a transit property really had an idiosyncratic thing they wanted in all of their buses, that perhaps that could be added as an option totally at local cost.

From a national perspective, it seems to me we ought to be driving towards standardization, rational standardization and rationalization which could, on the one hand, lower the cost of buses to all properties, not just those who have huge buys, and the compensation for the bus manufacturer and supplier might well be perhaps a squeeze on profits, but it would also give you an opportunity to squeeze on costs.

So you could save, and you have the certainty of being able to go to lenders, et cetera, and flatten out your order bank, so that you are not feast or famine. It would seem to me it would make an enormous amount of sense if we could get our friends on the authorization committee to commit to some kind of a program like this. I think this committee might be really enthusiastic about trying to finance it.

Of course, putting that in place is something that requires authorization. It requires the committee to act upon it.

Mr. DAVIS. Mr. Chairman, could I speak to that?

Mr. CARR. Absolutely.

Mr. DAVIS. I served as general manager of the same property for 15 years. I have been through the replacement of our entire bus fleet. I am not proud of the timing of bus replacement, because what happens is all of us in the industry make our decisions based on the absurdity of when we can get a Section 3 plan approved and when we it get it earmarked. That means we wait until the buses are 12 years old and then we get in line to see what we can do to get the buses replaced. So we might buy 50 or 20 or whatever the earmark is.

So funding capability is probably the major consideration in when a bus is replaced, rather than need. We do need to find a way to smooth it out. We do need to get greater stability in the industry.

My colleague to the right has been with us for several years, but that is literally unusual in this industry. We are looking at new people in and out of the industry all the time, and stability would help.

I would suggest to you, Mr. Chairman, that one of the things you might think about as you pursue that is that Atlanta has a very interesting idea in how it approaches the Olympics in 1996. It asks the transit authorities, Is there a way we could buy buses in 1996 where we could have the buses for the first three or four months? That might be the ideal time to try to accomplish that. Atlanta needs about 2,000 extra buses as its response to the Olympics in 1996, and it would like to do so with the best the industry can offer.

It is an interesting idea and it might be a good time to try to put it together.

Mr. CARR. You can't patent or copyright ideas. Actually, Atlanta came to this committee, and I think some of those discussions about that idea began in consultation with this committee, because, of course, we would like to help Atlanta with their particular problem. But we want to know how those buses meld into the overall bus inventory of the country.

Mr. Obert, mention for a minute, if you will, or Mr. Davis, the maintenance requirement. Would having a national procurement impose any efficiencies or undue costs in terms of maintenance?

You can offer a variety of different power plants, I would take it, and most of these power plants are at least fairly standard, so at least drive train and power plant are pretty interchangeable between all kinds of buses, and the training would be fairly standard on them, too, maintenance, training. Won't that extend to other bus components, too?

Mr. OBERT. I would certainly think so. Probably the only difference would be if alternate fuels were an integral part of such a buy, which I would think would be advisable.

As you know, the Clean Air Act imposes some very stringent particulate matter standards on the bus industry. Urban buses in particular are singled out from the heavy-duty truck industry. We are now able to meet the point five—excuse me, the point seven and the point five standards with either compressed natural gas, liquefied natural gas or methanol.

To the extent that a transit authority was not currently using an alternate fueled vehicle, there would be some additional costs to integrate such a vehicle into their fleet both from a training standpoint and maintenance standpoint.

Other than the fuels issue I can't foresee any increased cost whatsoever, because the technologies, especially if standardized, are well-known and currently in operation.

Do you agree with that, Mr. Davis?

Mr. DAVIS. Yes, I do.

Mr. CARR. Mr. Davis, it occurs to me that there seems to always be this antagonism between transit and highways, and quite frankly I don't understand it, unless I am led to believe that somehow or other it is fixed guideways versus highways, because after all, 70 percent of the transit riders in America ride on a bus riding on the highway.

Why all this antagonism about highways get more than we do? Sort of like mother loved my brother more than she loved me kind of thing. Why do we need to get into that?

Mr. DAVIS. I think we are concerned about balance in the program. I heard you talking about overmatch earlier. As a transit general manager in Kansas City, I have suggested to some of our elected officials that rather than spend 50 percent to build a transit facility, use your money and match it with 80 percent highway money. I don't agree with the philosophy of that.

I do think you should have a balanced transit system. But if the Federal Government is so obviously supporting highway construction in preference to transit construction, as a public administrator I would say that is the place to maximize the use of your money.

So we get put in this difficult situation of competing where it is difficult for local government to make its investment in transit, because the highway funding we see is being something that is, say, more generous and more encouraged at the Federal level.

I think also I come out of the urban planning field. And my major concern in this business is that investments are in fact shaping cities. I think the state of American cities, our urban cores, is something that is a very major concern.

I happen to think urban rail is one of the few investments that you can make to help urban areas retain their employment bases instead of seeing it all or so much of it migrate to far-off suburban locations. So I think in that sense we are somewhat competitive. But not in the sense of build rail or highways. It is in the sense that we need a balanced system, and we think the American system may be more out of balance than any major system we have seen anywhere in the Western world.

We have built an absolutely superb highway system that has done a great job of fortifying suburbia, and is a great place to invest. We have not done so well in rebuilding our transit systems to fortify those central courses. I talk in our business that we made a Federal commitment years ago that we would not let transit die, but we never agreed how to let it live, and that is what we are trying to get done today.

We are saying transit deserves to be an important component with highways and it needs more investment than it has received. I think we have overinvested in highways at the expense of transit.

Mr. Carr. Mr. DeLay?

Mr. DeLay. Mr. Chairman, we can go on all morning with this because there are so many issues here.

Let me ask you about one issue you just brought up. I think I heard you say it is your opinion—Mr. Davis, it was your opinion that rail systems maintain downtown areas. How did you put that again?

Mr. Davis. I think public transit generally, but particularly rail systems, help to fortify urban cores and the employment bases in urban cores. I think you see that in every urban center today.

Mr. DeLay. I think there is a different school of thought. If you look at this town, the rail system, and it is a beautiful rail system, has not stopped people from moving work centers out to suburbia. In fact, they have moved faster out to suburbia. And ridership on this system here has declined. And I think this is indicative of every system in the nation. It is crime and lack of educational systems and all that kind of stuff that is driving them out. I understand that.

Mr. Davis. I have been so impressed with the way you have been able to slow the decline that was so obvious in this city and achieve stability around your rail systems. This is a classic example of what you can do right.

There is a trend towards abandonment in our cities. You have made an investment that has at least partially arrested that decline. I am impressed with what you have done here.

Mr. DeLay. That is a new one on me.

Can either one of you answer this question? Has there been a definitive study that shows that transit actually reduces pollution?

Mr. Obert. There is quite a bit of scientific data resting with the EPA that the EPA used in developing the Clean Air Act, where urban transit buses were specifically singled out among heavy-duty vehicles as the target for much more aggressive emission control standards than any other form of heavy-duty diesel engine.

We argued long and hard that because the bus population was so small in relation to heavy-duty trucks, that we were being unfairly singled out. However, we were persuaded by the data that because of the concentration of those especially particulate emissions in urban downtown areas, that transit buses were a major contributor to urban air quality, whereas there are certainly more trucks on the road but more trucks operate in the rural areas.

So we were successful in doing two things; one, working with the EPA to establish a very aggressive yet achievable particulate emissions standard beginning in 1992; and we have also been successful in developing the alternate fuel technology and integrating it into urban transit buses such that we can meet levels of especially particulate emission, which is the black smoke that you see that is some 50 times better in today's diesel engine than it was as recently as five years ago.

Mr. DeLay. What about rail? Has there been a recent definitive study on light rail or even heavy rail contributing to cleaner air?

Mr. Obert. I have not seen one, but I am—and I am speculating because I am a bus manufacturer and I am not that familiar with overall rail systems, but a vast majority of rail is operated on electricity, which, of course, at the transportation source has zero emissions.

Maybe Dick can——

Mr. DeLay. Mr. Davis, have you seen anything of recent—in the last two or three years?

The reason I ask the question, we had a group come in earlier, and every group that comes in here, they automatically say out of hand, "If we had this light rail system, we will get cleaner air." What I have heard for myself is different. They say, you are obviously going to take people out of cars and put them on rail, that makes the air cleaner. However, you find most of the time, at least in the initial stages of operating these rail systems, you are taking people out of buses and putting them on rail. And that has some significance, I guess, in cleaner air, because you have fewer buses, I guess. I doubt it.

But has anybody done a definitive study lately on bus systems as a way of getting credit in the Clean Air Act and rail systems as getting credit in the Clean Air Act?

Mr. Davis. I would like to spend some time and check our files and see what we can find. I can tell you that what we have seen is what your typical transit system cost.

It does begin by replacing a bus line. It always does. That builds the base for the rail. So the first ridership is the bus mileage that it replaced.

By the same token, a rule of thumb we see in the industry that that rail line usually generates shortly after it is open, three riders for every two that were on the bus system. So it is attracting at least 50 percent of its initial ridership from something other than the bus it replaced.

In terms of specific studies, I would like to check our files and reply to you after the meeting, if I could.

Mr. DeLay. Yes. I don't want a room full of stuff, but I would like to see something that is definitive.

Thank you, Mr. Chairman.

Mr. Carr. Thank you for being with us today. We appreciate the time and energy that you took to be here, and again, your patience.

Mr. Davis. Thank you.

Mr. Obert. One last comment, Mr. Chairman. On behalf of the bus manufacturers of APTA, we would like to send you a picture of a bus so when I look around the wall, that major means of public transit is not conspicuously absent.

Mr. Carr. Let me tell you—that is a very kind thought. Save your money. These pictures are coming down. This is not what I regard as artwork. These are very nice photos, but we are going to try to make this room filled and alive with habitable artwork. So if you have got something in that regard—

Mr. DeLay. A little Picasso.

Mr. CARR. Check with the ethics committee and maybe send it to us.

Thank you.

MONDAY, MARCH 29, 1993.

ENZYMATICS, INC.

WITNESSES

S. WAYNE KAY, PRESIDENT AND CHIEF EXECUTIVE OFFICER, ENZYMATICS, INC.

CHRISTOPHER ZALESKY, DIRECTOR OF REGULATORY AFFAIRS AND QUALITY ASSURANCE

DAVID SANDERSON, DIRECTOR OF BUSINESS DEVELOPMENT

Mr. CARR. Our next witness will be Mr. Wayne Kay of Enzymatics, Inc.

Welcome to the committee. We have your statement. We will put it in the record and ask you to summarize the high points.

Mr. KAY. Thank you, Mr. Chairman and distinguished Members. I am Wayne Kay, and I thank you for the opportunity to appear before you today. I am the President and CEO of Enzymatics located in suburban Philadelphia and Horsham, Pennsylvania.

Accompanying me is our Director of Regulatory Affairs and Quality Assurance, Mr. Christopher Zalesky, and Mr. David Sanderson, our Director of Business Development.

The reason for appearing today, Mr. Chairman, is both historical and practical. Historically speaking, the Omnibus Transportation Employee Testing Act of 1991 was passed as part of the fiscal 1992 transportation appropriations bill.

Practically, the job of this committee is certainly to appropriate the funding for all DOT offices, agencies, and operating administrations. This committee has both the authority and responsibility to assure that DOT funding is applied in a manner consistent with the interests of the traveling public, the transportation industry, and its employees.

We encourage the subcommittee to exercise its oversight jurisdiction by discussing with DOT the issues that I intend to raise briefly this morning.

The DOT published a notice of proposed rulemaking on December the 15th, 1992, proposing the rules by which to implement the omnibus act; the public comment period is soon to end on April the 14th.

Unfortunately, the DOT has proposed to exclude by definition all techniques, technologies and testing methods other than evidential breath testing. We believe this restriction is unnecessary and in direct conflict with the intent of the statute, that of deterrence of alcohol abuse through appropriate testing of employees in safety-sensitive positions.

In the interest of safety for the traveling public, the economic well-being of an already hard-hit transportation industry and the protection of the industry employees, the DOT must consider the records supporting the use of inexpensive, rapid and sensitive tests to screen out the 95 plus percent of all employees who will test negative, and that confirmatory testing of the few positive screening tests should be performed by qualified laboratories using definitive analytical methods.

We have tried on multiple occasions to diligently and constructively work with the DOT urging that the selection of alcohol testing methods should be performance based and not restricted to a specific technology or sample type; that industries should be permitted to choose the method which meets these DOT established performance goals; and that each employer should be permitted to select the methods which best meets its unique needs.

We have provided DOT with data supporting that exclusive reliance on evidential breath-analysis instruments is the most costly, operationally burdensome, and least effective method. Officially, the DOT has adopted an open-minded approach. Yet a review of the history and written record supporting this rulemaking would indicate otherwise.

We hope that with the strength and energy of Secretary Pena and the oversight of this committee, that the DOT will take heed of the public comments and make the necessary modifications to employ alcohol testing procedures.

It is both important and entirely appropriate at this time for this subcommittee to exercise its oversight jurisdiction in the interests of transportation safety, the transportation industry, and its employees.

We are confident that the facts and public record, when viewed objectively, will indicate that selection of alcohol screening and confirmatory methods shall be performance based; that inexpensive, rapid and sensitive tests to screen out the 95 plus percent of all employees who will test negative should be permitted; that the rules should not exclude specific technologies or specimen types; and that exclusive reliance on evidential breath analysis instruments is the most costly, operationally burdensome, and least effective method.

Mr. Chairman, I have submitted these remarks before you today in writing, and I request that they be included in the record in their entirety.

I would again, Mr. Chairman, thank you for the opportunity to appear before you with my colleagues here, and I invite the opportunity to respond to any questions you might have.

[The prepared statement of Mr. Kay follows:]

STATEMENT BEFORE THE HOUSE SUBCOMMITTEE ON TRANSPORTATION APPROPRIATIONS

BY MR. S. WAYNE KAY
PRESIDENT AND CHIEF EXECUTIVE OFFICER
ENZYMATICS, INC.
HORSHAM, PENNSYLVANIA

My name is Wayne Kay and I thank you for the opportunity to appear here today. I am President and Chief Executive Officer of Enzymatics, Incorporated. We are located in suburban Philadelphia, in Horsham Pennsylvania. Several of our employees live in the districts adjoining Mr. Foglietta's, a distinguished member of this Committee. Enzymatics is a manufacturer of *in vitro* diagnostic products for use in the diagnosis, treatment and detection of human diseases and other conditions. Among the products we manufacture is the Q.E.D.® Saliva Alcohol Test, a test for the quantitative determination of alcohol in saliva. Our products have been cleared by the U.S. Food and Drug Administration (FDA) and are used in a variety of medical, industrial worksite and U.S. government testing situations. The product has also been evaluated by the National Highway Traffic Safety Administration (NHTSA) and has been found to be "useful for screening purposes."

I have submitted detailed written information in support of my comments before you today, accordingly I will make by remarks brief.

The reasons for requesting an opportunity to appear before the Transportation Appropriations Subcommittee are both historical and practical.

- From an historical perspective, Enzymatics is here because the Omnibus Transportation Employee Testing Act of 1991 was passed as part of the FY '92 Transportation Appropriations Bill.

- From a practical standpoint, Enzymatics is here because this committee appropriates funding for all Department of Transportation offices, agencies and operating administrations, including the Office of the Secretary of Transportation (OST).

OST and the various DOT Operating Administrations have proposed rules by which to implement the Omnibus Act; the public comment period on the rulemaking ends next month on April 14.

This committee has both the authority and responsibility to assure that funding to OST and the other DOT Operating Administrations is applied in a manner consistent with the interests of the traveling public, the transportation industry and its employees.

We are concerned that without adequate oversite from this committee, and other interested Members of Congress, OST will be insensitive to public comment expressed in writing to the rulemaking docket and through testimony presented during its recent series of public hearings. These comments have almost universally contended that this safety-oriented initiative must be implemented in a flexible and cost-sensitive fashion and that regulated industry must be permitted to chose from a range of low cost, technically advanced alcohol testing methods.

As a manufacturer, we clearly have an interest in assuring that DOT's final rules do not exclude use of the Q.E.D.® Saliva Alcohol Test to screen transportation employees for alcohol use.

Unfortunately, DOT's proposed rules do exclude, by definition, all technologies and testing methods other than evidential breath testing. We can find no justification in the statute for this exclusionary approach.

The statute specifically provided for flexibility in the choice of screening and confirmation methods to be permitted. It also provided additional assurance for protection of employees by requiring that all confirmatory specimens be subdivided, allowing for a second confirmatory analysis to be performed by a second laboratory. Finally, it directed DOT to work with the Department of Health and Human Services (DHHS) in the development of appropriate alcohol testing procedures. Within DHHS, FDA, HCFA, NIDA and SAMHSA all have significant technical and practical expertise and experience in the development of regulations for substance abuse testing methods and programs.

Unfortunately, DOT's proposed rules do not permit flexibility in the choice of screening and confirmatory testing methods. Further:

- They do not provide for the statutory requirement for a split specimen.
- They are not reflective of any meaningful communication between DOT and the experts at DHHS.
- And, perhaps of most concern, they may not lawfully be implemented because they are in conflict with both the Omnibus Act itself and with the Food, Drug and Cosmetic Act.

It has been our contention that the proposed reliance on evidential breath analysis instruments for both screening and confirmatory testing of employees, represents the most costly, operationally burdensome and least effective method by which to implement the required testing program. This restriction is both unnecessary and in direct conflict with the intent of the statute - deterrence of alcohol abuse through appropriate testing of employees in safety-sensitive positions.

OST has been the key group in this rulemaking process. Regrettably, a virtual continuum of change within the Department has hindered their efforts. DOT has had three Secretaries of Transportation since the Omnibus Act was signed into law. During this period, the undersecretary level staff has shrunk from a high of 28 to 0. This disruption and discontinuity has disabled the natural system of checks-and-balances within DOT and OST in particular. We believe that these historical factors are largely to blame for the much delayed and fatally flawed rules *proposed* on December 15, 1992. Under the statute, *final* rules were to have been in place by October 28, 1992. Optimistically, the rules may become final by early Fall, a delay of nearly one full year!

We hope that with the strength and energy Secretary Peña brings to his new job and through adequate and appropriate oversite from this committee and Congress as a whole, that OST will take heed of the public comments and make the necessary modifications to employee alcohol testing procedures.

At this point in the rulemaking process, it is both important and entirely appropriate for the Subcommittee to exercise its oversite jurisdiction in the interests of transportation safety, the transportation industry and its employees. We encourage the Committee to discuss with OST the issues we have raised before it today.

Mr. Chairman and distinguished members, thank you again for permitting me the opportunity to appear before this committee.

Mr. CARR. Thank you for being here. You give us food for thought. When the DOT officials are before us later next month, I think we will be able to ask them some questions and get their responses. With that, I have no further questions. Thank you for being here.

Mr. KAY. Thank you, Mr. Chairman.

MONDAY, MARCH 29, 1993.

JACKSONVILLE TRANSPORTATION AUTHORITY (JTA)

WITNESSES

HON. CORRINE BROWN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

J. CHARLES SAWYER, CHAIRMAN, JTA

MILES N. FRANCIS, JR., EXECUTIVE DIRECTOR, JTA

Mr. CARR. Our next panel will be introduced by our good friend, the Congresswoman from the greater Jacksonville area, Ms. Corrine Brown.

Welcome.

Ms. BROWN. Mr. Chairman, will you forgive me if I say your tie is beautiful artwork.

Mr. CARR. You are forgiven.

Ms. BROWN. It is a pleasure to be here with you all today.

I introduce Mr. Miles Francis, who is the Executive Director of the Jacksonville Transportation Authority, and my friend, Mr. Charlie Sawyer, Chairman of the Jacksonville Transportation Authority Board.

Before I forget it, I have a statement from Congresswoman Tillie Fowler in support of the project, and I want to enter that in the record.

Mr. CARR. Without objection, that will be included in the record.

[The prepared statement of Hon. Fowler follows:]

Statement by Congresswoman Tillie K. Fowler

In Support of The Automated Skyway Express
Jacksonville Transportation Authority

Before the House Appropriations Subcommittee on Transportation

March 29, 1993

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to submit my written statement in support of Jacksonville Transportation Authority's Fiscal Year 1994 request for construction of the Automated Skyway Express ("Skyway").

As a high growth, sunbelt city, Jacksonville is at a critical juncture in the development and implementation of its transportation plans. In order to address the area's congestion and pollution problems, the Jacksonville Transportation Authority (JTA) has been seeking federal funds to construct the Skyway, a 2.5 mile elevated dual guideway, fully automated transit system. This system which has been part of the MPO's 2005 Transportation Plan since 1981 and has the support of Jacksonville's citizens, businesses and governmental leaders, is designed to provide congestion relief, pollution control and greater downtown mobility. In addition, the Skyway will be intermodal by serving as a transfer for Park-N-Ride and bus patrons, and enabling buses to provide faster, more reliable and more cost-effective service to the suburban areas. Due to the improved efficiency and permanency of the system, the Skyway will induce substantial development in both the office and retail market along the route, as well as create new jobs.

The JTA has received approximately $70 million through annual appropriations and full funding agreements for construction, as well as a $71.2 million authorization in the Intermodal Surface Transportation Efficiency Act (ISTEA). JTA has completed and is operating the first segment of the system and the second segment is currently under construction. In FY 1994, JTA is seeking $56.2 million for the third and final river crossing segment of the system, a portion which is already under construction. This critical segment of the Skyway will allow efficient movement between the two banks of the St. Johns River and will service substantial hospital and insurance employment centers. This appropriations level will also fund all the vehicles required for the operation of the total system.

I would deeply appreciate the committee's favorable consideration of JTA's request in the FY 1994 Transportation Appropriations bill.

Ms. Brown. This project is supported by all of the elected officials from the Jacksonville area. We have the support of the city council, the Mayor, the Chamber of Commerce, and the majority of the citizens. And I want to make that point.

Mr. Miles Francis and Mr. Sawyer will talk a little about the project, but recently there was an announcement in the paper concerning a courthouse that will be built in the downtown area, and certainly that courthouse and the regional HRS building will increase ridership a great deal in the Jacksonville area.

This is a project—some 15 years ago, I came to Washington as a private citizen to testify in support of this project. So we have a long history of supporting this project and the ups and downs. But it is a progressive, forward-thinking project for the City of Jacksonville, something Jacksonville has not really been known for on a lot of projects, and in the future it will help the ridership in our area remove buses from the downtown area. And it is one that the people support—most of us, anyway.

So I want to introduce Mr. Charlie Sawyer and also Mr. Miles Francis.

[The prepared statement of Hon. Brown of Florida follows:]

Statement by the Honorable Corrine Brown
Introduction of Miles Francis, Executive Director of the JTA to the House Transportation Appropriations Subcommittee
March 29, 1993

Mr. Chairman: It is a pleasure to appear before you today to introduce Mr. Miles Francis, Executive Director of the Jacksonville Transportation Authority and Mr. Charlie Sawyer, Chairman of the JTA Board.

They are here today to talk to you about the Automated Skyway Express in Jacksonville, Florida. Like most forward thinking, pro-growth citizens of my city, I support this project. Likewise, the ASE is supported by the Mayor, the City Council, the Chamber of Commerce and the majority of the citizens.

Once the 2.5 mile system is completed, mass transit will become easier around downtown Jacksonville and over the St. Johns River. What many people fail to recognize is that the ASE will take the place of downtown bus traffic. This will do two things -- allow our current bus fleet to run additional routes throughout the City and will decrease vehicle pollution downtown.

The ASE received additional good news last week when the new federal courthouse at Hemming Plaza was announced. Because the courthouse is located within walking distance of the ASE, courthouse patrons will become ASE patrons as well.

As a member of the Economic Development Subcommittee, I want to mention the economic growth potential of the ASE. Transportation projects mean jobs and many people are today at work because of this project. Mr. Francis' testimony before you indicates that further construction of the ASE will create 4,693 new jobs with a payroll of $91.3 million.

Thank you Mr. Chairman for allowing us to appear before you today and allow me to turn it over to Mr. Francis and Mr. Sawyer.

Mr. CARR. Mr. Sawyer, Mr. Francis, welcome to the committee, once again.

Mr. SAWYER. Thank you for allowing us to be here today. Mr. Francis will give the background to the formal testimony, but I wanted to discuss a few moments with you the history and where we were in Jacksonville.

Ours is a unique arrangement. We are an appointed committee, three by the Mayor of Jacksonville, three by the Governor of Florida, and the District Director of the Department of Transportation serves on that. I am an appointee of Governor Chiles.

We are charged with the responsibility of mass transit, highways and bridges, all three, for Jacksonville, which is an 840-square-mile area which is sometimes a transportation nightmare on that type of territory.

As Congresswoman Corrine Brown said a moment ago, we came up here almost 15 years ago to talk about invitations that were issued by the Federal Government on demonstration projects. Jacksonville applied for one of those demonstration projects, and because of default of some of the larger cities, we were awarded one, and we got the throw-aways of the last funding of that group, and we were allowed to build what was known as a demonstration starter leg of .7 miles. It runs from our convention center to a parking garage downtown, and we had to stop because of funding.

We built that .7 miles at 1.3 percent over budget, which is unique for these types of systems, as you well know. From that time we started our planning in Jacksonville—as beautiful as the river of St. Johns that runs through our city, it is an absolute nightmare when you start trying to move transportation across it. We said at that time that the construction of corridors for single car, single passengers, in the future of our transportation system, just could not possibly ever work. We are running out of corridors, as we all know.

But at the same time, if we are to provide an efficient light rail in the future and bus transportation, that river became a problem because we were dumping all of the traffic in three locations for the downtown area.

So we decided at that time all of our planning has been designed around our 2.5 million system that will serve as the hub of our overall mass transit system. It will provide a 20 percent more efficiency in our bus system because we will no longer bring our buses downtown, and those will interchange with our intermodal systems on the periphery.

We have a great deal of support for this. The mayor has just completed what is known as the insight committee that over a thousand citizens have studied where they want our city to be in 10 years, and they recommended the completion of the Skyway.

You know, when you start talking about match, beginning back in the 1950s, our community has been matching. And I don't know what the rules are when you start considering match, but you have before you there one of your photographs that has got four bridges going across the St. John, if you have that before you there, and we have built all of those without a dollar's—not a penny's worth of State nor Federal dollars over the years, the most recent being the yellow lane being the $130 million Dane Point Bridge. The other bridge is the I–95 bridge, that is a Federal expressway, as you know, all built with local tax dollars through toll bonding.

So when we start talking about match, we have been matching an awful long time with local dollars. Recently that toll funding has been converted to a half-cent sales tax which is dedicated to our transportation system. We built over 150 miles of Federally designated interstate roadways, and currently or under construction, part of the interstate system of 9–A of $33 million which qualifies for Federal dollars, all with local funding.

So if you wanted to talk about match and use the dollars that the local people have invested in the transportation system, we are dramatically overmatched with what we are asking the Federal Government for.

Let me say by closing, we have been a partner in this project now for about 10 years, and we have, as you know, this committee has afforded us, thankfully, an amount each year that would keep the project moving along. We have been given probably a little over 60 percent of the total funding needed to require the entire 2.5 mile system.

For five years, I have looked forward to the opportunity to say that you have the opportunity to see me for the last time and this will complete the project. We are faced with a final segment now, and by building this transportation system three and four blocks at a time, it has not been the greatest economy of building such a small portion at a time.

We have the opportunity now, with the funding that we are requesting, to put out for bid to competitive bidding the rest of the system. That will afford a great deal of economies of scale, as you can well imagine, rather than building it in .5, .6, .7 mile segments. We are convinced we can save both the local match and the Federal dollars, significant dollars, if we are allowed to bid the remainder of the system at one time.

Mr. Francis will go into all of the other areas we wanted to talk about.

Let me say to you this project has had a long road of support. It has a long road of criticisms from time to time. But we will point out to you the development that solidifies some of the comments made. The development will follow transit systems, and we will show you as we go through Mr. Francis's testimony, the development now that is beginning to hug the transit lines.

So with that, I appreciate being here and we will answer any questions at a later moment.

Mr. Carr. Thank you, Mr. Sawyer.

Mr. Francis?

Mr. Francis. Mr. Chairman, Members, you have a map in front of you that has some interesting-looking colors on it, pink and purple. I would like you to look at that.

I think one of the things that should be of interest to anybody who is concerned or has knowledge about this system——

Mr. DeLay. Excuse me, are you looking at a map or these photos?

Mr. Francis. A map with lines on it, purple, green. It was an attachment.

Mr. DeLay. Okay.

Mr. Francis. We are past the point of no return on this project, we feel, and I say that because the purple line is an operating segment, and, you know, we built the thing with the idea and intent of coming along behind it and building the second segment, which is in green, and that was in 1989. So we left that a demonstration project, which is very short, for people to shoot at for a long period of time.

It is demonstrated technology. It is also demonstrated that people have come in sight of their workplace, in sight of their workplace, and get on a mass transit vehicle and ride to work, because we have a lot of parking around the terminal station, which is the last block of purple at the bottom of your aerial photograph.

The next segment you have funded, it is under construction, and that is the segment in green, that goes east and then turns north and then goes up to a junior college. That is an important segment. Let me tell you why.

The first item that makes this important is a picture you have of a central facility that will be serving buses, cars, as well as the Skyway, that the City of Jacksonville should have had some years ago, but knowing we were going to build it as part of the Skyway project, we waited until we could build this. This is under construction. That is right in front of a junior college in downtown Jacksonville. It is also a terminating point for the Skyway.

The other point that makes this particular segment which is under construction very important, if you look at the map, that indicates some new buildings that have just been announced on the guide way that is under construction.

The orange building being city hall, the plans are to move city hall to the location which is in orange. It is an existing building that will be cleaned out and modified and upgraded.

In green, we just announced the possibility of a new Federal building being built on the guide way. In blue, that is a new library. So you have three passenger generators that have just been announced for this leg that is under construction.

Then, lastly, if you refer back to the map with the pink line on it going across the river, that is the segment we are talking about today. That, gentlemen, is the most viable segment. People say, Why did you build that first? Well, let me speak to that.

We didn't build it first because if we did, you would have a stand-alone bridge that would cost somewhere around $25 million. What we did was wait until FHWA started construction on the bridge in pink, and you see a silver stripe beside it. We had $7 million transfer from FTA to FHWA to accommodate the platform on that bridge. Half of that is done. The platform is on the bridge today as I speak.

Also, they have been on the south side, which is to the top of your aerial photograph, south side, we call it the south bank. There are pilings of foundations we have put in when the bridge was under construction to support the guide way as it goes across the river on that very valuable segment going to the south bank.

Also, the last two years, we had $15 million that this committee promoted for this river crossing. So our request to you is to finalize this 2.5 million system with the appropriation of what is remaining, approximately $56 million.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Francis, Jr. follows:]

JACKSONVILLE TRANSPORTATION AUTHORITY TELEPHONE 904/630-3181
P.O. DRAWER "O" • 100 N. MYRTLE AVENUE • JACKSONVILLE, FLORIDA 32203

TESTIMONY

Miles N. Francis, Jr.
Executive Director

Jacksonville Transportation Authority

Before

House Appropriations Subcommittee on Transportation

March 29, 1993

TO: Members of the House Subcommittee on Transportation

It is important for this Subcommittee to understand the history of the Automated Skyway Express project, particularly with regard to the piecemeal approval and funding that marked the development of this project. Planning began in 1976, and the project's review and approval proceeded through the Urban Mass Transportation Administration as part of the "downtown people mover" demonstration program.

Just as the planning and project approval process for this 2.5 mile system was coming to a successful conclusion under the direction of the Carter Administration, the Reagan Administration came into being and immediately introduced a very different Executive Branch policy on Federal participation in mass transit programs. Among the Reagan Administration initiatives was the elimination of Federal effort to develop downtown people movers. Due to the momentum that three projects had nationwide, including ours in Jacksonville, the Congress decided to proceed with the these three projects in the face of strong opposition from the Reagan Administration. At the same time, we were coping with other Reagan initiatives to drastically reduce overall levels of Federal funding for mass transit. This resulted in a severe restriction of Federal funding resources which, coupled with the vociferous Administration opposition to continuing the downtown people mover program, made negotiation with the Administration on moving forward with the Jacksonville people mover a most difficult task.

As a result, our Automated Skyway Express was divided into funding and construction phases which have, in turn, resulted in a most undesirable development plan for the Jacksonville project. The Reagan Administration finally agreed, under strong pressure from this Committee, to execute a full funding agreement for a .7 mile "starter system" in 1984. This first phase, designated "Phase 1A", opened to revenue service on June 5, 1989. Since that time we have proceeded with planning additional segments to complete the full 2.5 mile system. This Subcommittee has continued to earmark Section 3 discretionary funds to the project, and we are pleased to note the cooperative atmosphere which developed at the Federal Transit Administration during the last year of the Bush Administration with even more favorable emphasis from the Clinton Administration. As a result, we are in final negotiations with the FTA for a full funding grant agreement which will reflect the authorized funding level for the project as contained in the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), of $71.2 million for the 1.8 mile "extension" (i.e., completion) of the Automated Skyway Express.

Through Federal funding, we have completed and are operating the first segment (Phase 1A) and the second segment (Phase 1B North Leg) is under construction. You have also appropriated $15 million toward the third segment (Phase 1B River Crossing Leg).

We are before you today requesting additional funding for the third and final river crossing segment of a 2.5 mile system. The bridge that will accommodate this segment is already under construction and will provide the platforms to accommodate the running pads for the Skyway vehicles. Already completed, are the pier foundations at the south end of the new bridge and the northbound platform.

This segment will service substantial hospital and insurance employment centers allowing convenient movement between the two banks of the St. Johns River. Only with the completion of this final segment can the project's full benefit be realized.

The Federal government, through a series of grants and full funding agreements, has funded this project to a current level of $74.6 million. This funding includes (see Attachment 1, aerial photo):

- The construction of the first segment - Phase 1A - $26.8 million (in purple on aerial photo).

- A grant for $3.9 million - Phase 1B design services.

- The transferral from FTA (UMTA) of $7 million to FHWA for the construction of guideway platforms on the new Acosta Bridge (third segment river crossing) now under construction (in silver on aerial photo).
- An allocation, through a current FTA full funding agreement, of $28.8 million for the construction of the second segment north leg, Phase 1B (in green on aerial photo).
- Congressional appropriation of $5.1 million in FY92 for the construction of the third segment, river crossing, of Phase 1B (in pink on aerial photo).
- Congressional appropriation of $10.0 million in FY93 for the construction of the third segment, river crossing, of Phase 1B (in pink on aerial photo).

The most unfortunate aspect of this piecemeal approach to funding and constructing our downtown people mover project is that, like constructing a house or any type of civil construction on a room-by-room or section-by-section basis, we have lost certain economies of scale by having to divide the project, and hence the civil construction and equipment procurement work, into segments. Rather than being able to bring project design, construction and equipment suppliers in to bid on the entire 2.5 mile system, we were forced in 1984 to seek bids on the .7 mile starter system, and later, on an additional .6 mile North Leg Extension that takes the Automated Skyway Express completely through the downtown area on the north bank of the St. Johns River to the Florida Community College campus.

While we have unquestionably lost project budget economies by being forced into less than optimal design, construction and procurement contracts, we have also suffered from the disadvantages of having only .7 miles of an intended 2.5 mile project in revenue service. While UMTA officials in 1984 may have viewed this .7 miles as an "operable segment", the resulting ridership from this initially truncated project provided service to few people in the downtown area due to its short length. It did not have the capability of accommodating many of the trips that occur in the downtown area. In addition, development downtown was in areas not served by the starter line. The .7 mile segment provides access to a very limited number of trip origin and destination points, and connects a very limited number of major trip generators.

We are requesting that $56.2 million be appropriated to this project for FY94. This is in addition to $15.1 million previously appropriated, which added together, would total $71.2 million thereby complying with the ISTEA legislation (Attachments 2 and 3). This funding will allow for construction to continue across the St. Johns River to the first station in the south bank area. It will also fund all the vehicles required for the operation of the total system.

As reflected in Attachment 4, the benefits of the project to the community are significant. The construction of the second segment alone (north leg, including a bus/skyway transfer facility, Attachment 5, which is fully funded and under construction) will result in 1,348 new project-related jobs at a payroll of $26.2 million, with a local economic impact of $78.4 million, a regional economic impact of $81.6 million and a national economic impact of $122.9 million.

The total economic impact, including both segments, north leg and river crossing, become even more significant. They will result in 4,693 new project-related jobs with a payroll of $91.3 million, a local economic impact of $274.8 million, a regional economic impact of $284.3 million and a national economic impact of $429.8 million.

The cost effectiveness of this project can be found in several areas. Our most recent financial plan, which has been approved by FTA, shows break-even operation by 1998, when the system at its full 2.5 mile configuration will accommodate 19,000 passengers per weekday.

The Skyway project, in its completed form (2.5 miles of guideway, 9 stations and 14 vehicles), will become an integral part of Jacksonville's mass transit system. It will allow easy, convenient (two-minute headways) access into our downtown area, which is particularly important because of the St. Johns River bisecting our core city. By utilizing its elevated guideway structure, it will not conflict with any of the downtown vehicular and pedestrian traffic. It will also provide for approximately 5,000 additional parking spaces in and around the downtown area, thereby providing a built-in cliental for the Skyway. This is currently being done (approximately 800 parking spaces) very successfully, with our completed first segment.

The Skyway is part of a well-developed transportation plan for our community. One that has been subject to extensive review by the City Council, the Mayor, the Chamber of Commerce, the Florida Department of Transportation and the Federal Transit Administration, as well as this Committee. It has broad support throughout our community.

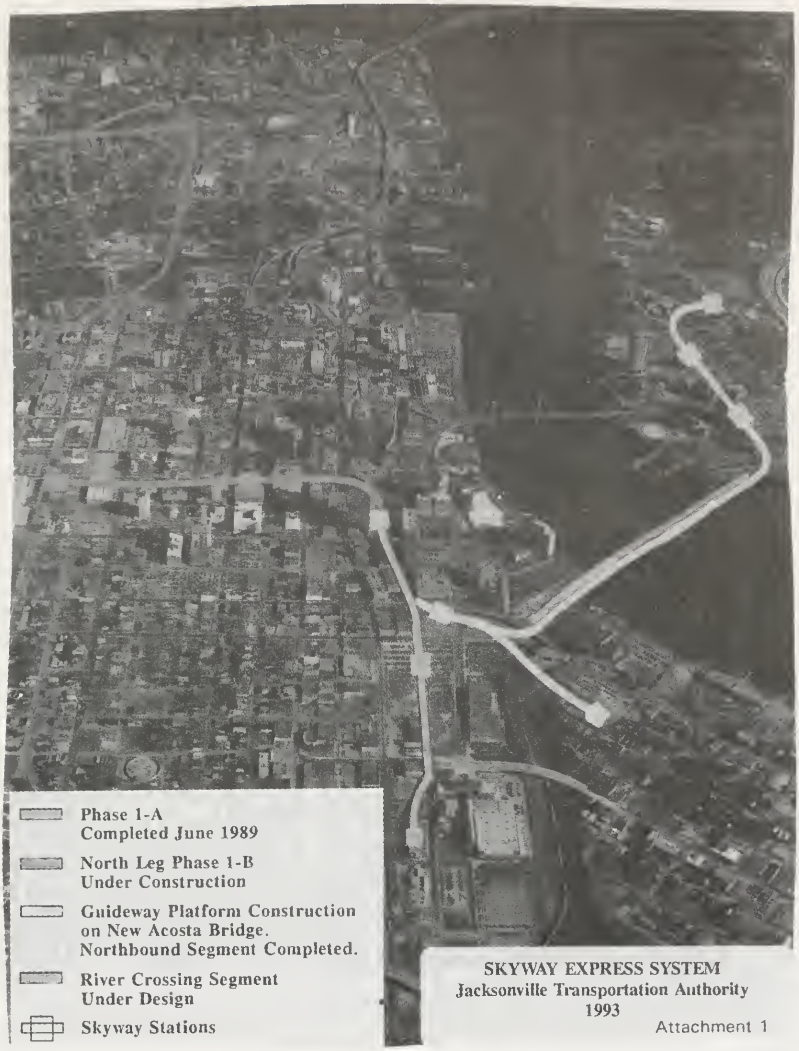
The project, to date, has had minimal impact on downtown travel patterns with the result that we have been able to accrue few mobility and congestion mitigation benefits to the project to date. Additionally, we have not been able to realize the operational benefits that are expected to materialize when the 2.5 mile system is completed. This includes the ability to remove buses from downtown streets and to shorten individual bus trip running time. The time saved will be used to make more runs and thus increase service frequencies on bus routes leading to the downtown area. This frees buses from existing schedules and routes, increasing suburban service. The CBD fringe parking areas which we have established and maintained in anticipation of the completion of the Skyway will finally be fully utilized, thus providing further vehicular congestion and air pollution mitigation in the downtown area.

The Jacksonville Transportation Authority and the City of Jacksonville, appreciate the Congress and the Administration's efforts in providing stimulus funding to restore a more balanced role for transit. We have faced a long step-by-step struggle to get where we are today. We have moved forward with numerous small amounts of funding, constructing this system segment by segment. We are very appreciative of the fact that two-thirds of this project is fully funded, because of this Committee's support. We are determined to complete this project, thereby allowing the future transportation plans of this community to be carried out.

Your continued support is necessary and appreciated.

MNF/pal

Attachments



SKYWAY EXPRESS SYSTEM
Jacksonville Transportation Authority
1993
Attachment 1

the locally preferred alternative for a 3.1 mile extension of the North Line of the heavy rail rapid transit system in Atlanta, Georgia.

(uu) Houston Priority Corridor Fixed Guideway Project.—Provided that a locally preferred alternative for the Priority Corridor fixed guideway project has been selected by March 1, 1992, no later than April 30, 1992, the Secretary shall negotiate and sign a multiyear grant agreement with the Metropolitan Transit Authority of Harris County which includes $500,000,000 from funds made available under section 3(kX1XB) of the Federal Transit Act to carry out the construction of such locally preferred alternative.

(vv) Jacksonville Automated Skyway Express Extension.—No later than April 30, 1992, the Secretary shall negotiate and sign a multiyear grant agreement with the Jacksonville Transportation Authority which includes $71.2 million from funds made available under section 3(kX1XB) of the Federal Transit Act to carry out the construction of the locally preferred alternative for a 1.8 mile extension to the Automated Skyway Express starter line.

(ww) Honolulu Rapid Transit Project.—No later than April 30, 1992, the Secretary shall negotiate and sign a multiyear grant agreement with the City and County of Honolulu which includes $618,000,000 from funds made available under section 3(kX1XB) of the Federal Transit Act to carry out the construction of the locally preferred alternative of a 17.3 mile fixed guideway system.

(xx) Sacramento Light Rail Project.—No later than April 30, 1992, the Secretary shall negotiate and sign a multiyear grant agreement with the Sacramento Regional Transit District which includes, from funds made available under section 3(kX1XB) of the Federal Transit Act $26,000,000 to provide for the completion of alternatives analysis, preliminary engineering, and final design on proposed extensions to the light rail system in Sacramento, California.

(yy) Philadelphia Cross-County Metro Rail Project.—No later than April 30, 1992, the Secretary shall negotiate and sign a multiyear grant agreement with the Southeastern Pennsylvania Transportation Authority which includes, from funds made available under section 3(kX1XB) of the Federal Transit Act $2,400,000 to provide for the completion of alternatives analysis and preliminary engineering for the Philadelphia Cross-County Metro Rail Project.

(zz) Cleveland Blue Link Light Rail Extension.—No later than April 30, 1992, the Secretary shall negotiate and sign a multiyear grant agreement with the Greater Cleveland Regional Transit Authority which includes, from funds made available under section 3(kX1XB) of the Federal Transit Act of 1964, $1,200,000 to provide for the completion of alternatives analysis and preliminary engineering for an extension of the Blue Line to Highland Hills, Ohio.

(aaa) Dulles Corridor Rail Project.—No later than April 30, 1992, the Secretary shall negotiate and sign a multiyear grant agreement with the State of Virginia, or its assignee, which includes, from funds made available under section 3(kX1XB) of the Federal Transit Act, $6,000,000 to provide for the completion of alternatives analysis and preliminary engineering for a rail corridor from the West Falls Church Washington Metropolitan Area Transit Authority rail station to Dulles International Airport.

(bbb) Puget Sound Core Rapid Transit Project.—Not later than April 30, 1992, the Secretary shall negotiate and sign a multiyear grant agreement with the municipality of metropolitan Seattle, Washington, which includes, from funds made available under section 3(kX1XB) of the Federal Transit Act, $300,000,000 for the Puget Sound Core Rapid Transit Project.

(ccc) Seattle-Tacoma Commuter Rail.—Not later than April 30, 1992, the Secretary shall negotiate and sign a multiyear grant agreement with the municipality of metropolitan Seattle, Washington, which includes, from funds made available under section 3(kX1XB) of the Federal Transit Act, $25,000,000 for the Seattle-Tacoma Commuter Rail Project.

(ddd) Altoona Pedestrian Crossover.—Not later than April 30, 1992, the Secretary shall negotiate and sign a multiyear grant agreement with the city of Altoona, Pennsylvania, which includes, from funds made available under section 3(kX1XB) of the Federal Transit Act, $3,200,000 for construction of the 14th Street Pedestrian Crossover in Altoona, Pennsylvania.

(eee) Multi-Modal Transit Parkway.—Not later than April 30, 1992, the Secretary shall negotiate and enter into a multiyear grant agreement with the State of California which includes, from funds made available under section 3(kX1XB) of the Federal Transit Act, $15,000,000 for construction of a multi-modal transit parkway in western Los Angeles, California.

(fff) Canal Street Corridor Light Rail, New Orleans, Louisiana.—No later than April 30, 1992, the Secretary shall negotiate and sign a grant agreement with the city of New Orleans, Louisiana, which includes, from funds made available under section 3(kX1XB) of the Federal Transit Act, $4,800,000 to provide for the completion of alternatives analysis, preliminary engineering, and an environmental impact statement for the Canal Street Corridor Light Rail System in New Orleans, Louisiana.

SEC. 3036. UNOBLIGATED M ACCOUNT BALANCES.

Notwithstanding any other provision of law, any obligated M account balances remaining available for expenditure as of August 1, 1991, under "Urban Discretionary Grants" and "Interstate Transfer Grants-Transit" of the Federal Transit Administration program shall be exempt from the application of the provisions of section 1405(bX4) and (bX6) of Public Law 101–510 and section 1552 of title 31, United States Code, and shall be available until expended.

SEC. 3037. TECHNICAL ACCOUNTING PROVISIONS.

Notwithstanding any other provision of law, any funds appropriated before October 1, 1983, under section 6, 10, 11, or 18 of the Act, or section 103(eX4) of title 23, United States Code, in effect on September 30, 1991, that remain available for expenditure after October 1, 1991, may be transferred to and administered under the most recent appropriation heading for any such section.

SEC. 3038. REDUCTION IN AUTHORIZATIONS FOR BUDGET COMPLIANCE.

If the total amount authorized by this Act (including amendments made by this Act) out of the Mass Transit Account of the Highway Trust Fund exceeds $1,900,000,000 for fiscal year 1992, or $12,800,000,000 for fiscal years 1993 through 1996, then each

Attachment 3

JACKSONVILLE, FLORIDA
AUTOMATED SKYWAY EXPRESS
TRANSIT SYSTEM
JACKSONVILLE TRANSPORTATION AUTHORITY

Phase 1-B: Includes 1.8 mile dual guideway System which consists of 6 additional stations, 12 additional vehicles, a vehicle maintenance facility and construction of 1.8 miles of guideway. This project also includes joint use of the new Acosta Bridge, an FHWA/UMTA project, which is under construction. Environmental Impact Statement documents were approved for this project in 1984.

Previous Allocation FY '90 & '91 - Funds the construction of the system's north segment*, including 0.6 miles of dual guideway, two additional stations and vehicles, and will extend from the Central Station (currently in use) to the Florida Community College at Jacksonville (FCCJ) downtown campus. Also, provided are funds for construction of seven foundations on the south bank of the St. Johns River, as a part of the river crossing segment, which are adjacent to the new Acosta Bridge (currently under construction). A major bus interface will be constructed at the FCCJ Station and park and ride facilities will be available.

Previous Appropriation FY '92 - Funds appropriated ($5.1 million) will complete the final design of the remainder of the 2.5 mile system north of the river and purchase right of way.

Previous Appropriation FY '93 - Funds appropriated ($10.0 million) will complete all right-of-way acquisition for the entire 2.5 mile system. Construction would proceed for the guideway from the turn out at Bay and Broad streets south to the new Acosta Bridge to meet the river crossing guideway already under construction. Also, the guideway link to the Central Maintenance and Control Center (CMSA) would be constructed.

Proposed Appropriation FY '94 - Funds ($56.0 million) would complete construction of the guideway across the St. Johns River including the San Marco Boulevard Station on the southbank and the completion of the CMSA structure. Vehicles would be purchased and automated train control installed on the guideway and in station. The Central control for the full system would be installed in the CMSA site along with appropriate vehicle maintenance equipment.

Funding Required (millions)

	Second Segment North Leg Previous Funding	Third Segment River Crossing			
		FY 92	FY 93	FY 94	Current Authorization
FEDERAL (FTA)	28.8	5.1	10.0	56.1	71.2
STATE	4.8	.6	1.2	7.0	8.8
LOCAL	4.8	.6	1.2	7.0	8.8
	38.4*	6.3	12.4	70.1	88.8

*Currently under construction

022893
Scenario 12a
(1989 dollars estimate to 6/91)

PUTTING YOUR FUTURE IN MOTION

JTA 3/9/93

Attachment 4

Skyway Economic Impact

	Multiplier	Phase 1-B North Line Extension $38.4m	Total Phase 1-B Expansion $133.7m
Employment	35.1 [4]	1,348 jobs	4,693 jobs
Payroll (Earnings) [1]	0.6829 [4]	$26.2 million	$91.3 million
Output [2]			
- Local Economic Impact	2.055 [3]	$78.9 million	$274.8 million
- Regional Economic Impact	2.126 [4]	$81.6 million	$284.3 million
- National Economic Impact	3.0527[5]	$117.2 million	$408.2 million

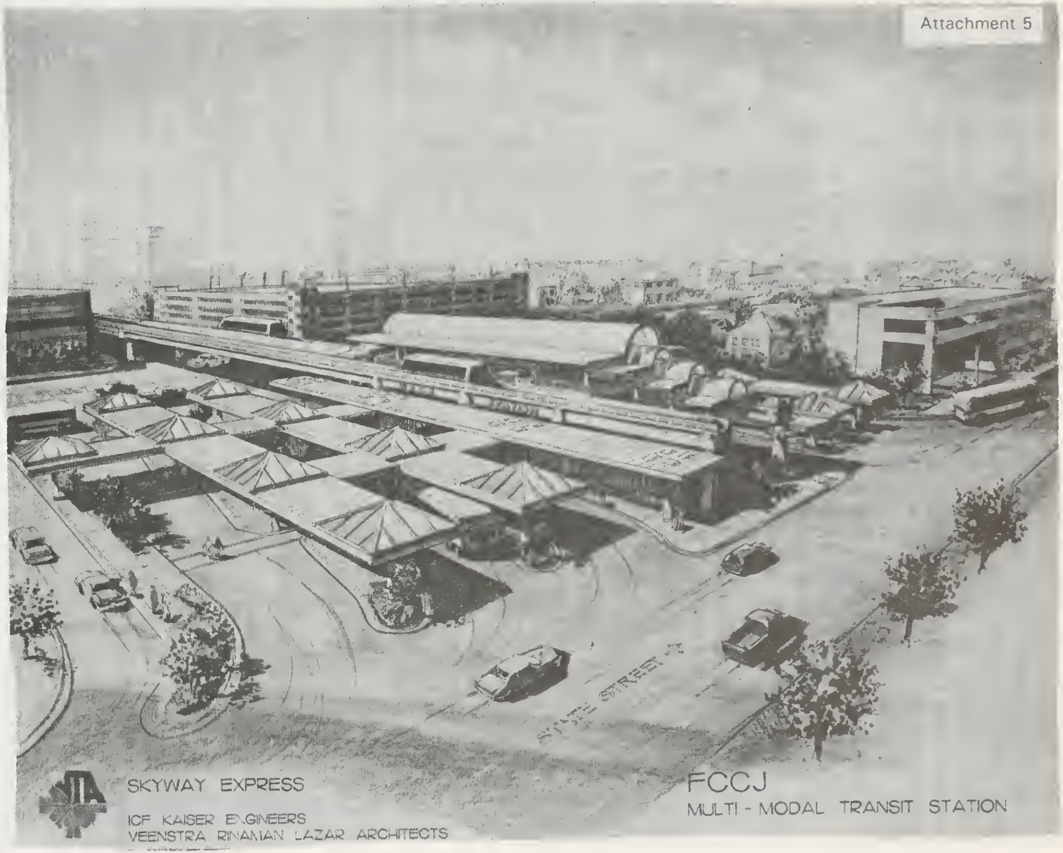
Notes

1. Total dollar change in earnings of households employed by all industries for each additional dollar of output delivered to final demand by the corresponding construction industry.
2. Total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by the corresponding construction industry.
3. Factor for Duval County per Lew Woods of the Economics Department of UNF.
4. Factors from the "Regional Multipliers User Handbook for RIMS II" published by the U.S. Department of Commerce, Economics and Statistics Administration.
5. Factor provided by U.S. Department of Commerce, Bureau of Economic Analysis.

IMPACT.NOT

DAC

Attachment 5


STATE STREET
SKYWAY EXPRESS
ICF KAISER ENGINEERS
VEENSTRA RINAMAN LAZAR ARCHITECTS
FCCJ
MULTI - MODAL TRANSIT STATION

Mr. CARR. Your request is how much?

Mr. FRANCIS. Fifty-six. That is tied in with the $71.2 that is in the ISTEA legislation.

Mr. CARR. In your statement, you make no reference to the recent bid that you received, which is pretty far above the available resources. So you are having to discuss with, what, FTA, what you do about that?

Let's talk about that for a minute.

Mr. FRANCIS. Yes, I will, thank you.

It is not above the budget, or the bid was $9.12 million, and that was not above what we had budgeted. That is within our budget. So if we were to go that route, we certainly could afford it.

FTA rejected the sole-source application. They feel like it should be competitively bid. The problem is that when you competitively bid such a small segment just for train control, you are not going to get—it is not an attractive bid and you are not going to get, we feel, a competitive bid.

You are not going to get different vendors bidding on it because it is such a small project. What we need to do is combine the segments to give us an attractive bid so we can go out and competitively bid the train-controlling vehicles for both the north leg, which is in green, and the river crossing, which is in pink.

But it was not beyond our budget. It was in the budget we had. We wouldn't have moved forward if it was beyond our budget.

But the sole source was rejected because of a lack of support as far as their costs were concerned.

Mr. CARR. How many vehicles a day go over the bridge that is marked?

Mr. FRANCIS. Approximately 70,000 vehicles a day over the Costa Bridge.

Mr. CARR. There is a bridge that looks like a draw bridge and it is in blue on my picture; how many vehicles a day go across that?

Mr. FRANCIS. About 45.

Mr. CARR. Up at the top of this picture is another bridge. How many vehicles——

Mr. FRANCIS. That is in excess of almost 100,000. That is on I–95. It is a draw bridge.

Mr. CARR. I am talking about here to the east.

Mr. FRANCIS. That is the Hart. Approximately 45. The others are about the same, except for the one in yellow. That is the last one we built. That is about 25,000 a day.

Mr. CARR. And 100,000 are on this blue bridge, that is I–95?

Mr. FRANCIS. That is correct. Approximately 100,000.

Mr. CARR. How many lanes is that?

Mr. FRANCIS. It is four. It is gridlock now. It was built for 86,000. It is scheduled to be rebuilt.

Mr. CARR. What are they going to do with it; do you know?

Mr. FRANCIS. They are going to build a high-rise just south of the existing structure.

Mr. CARR. Most of that is—well, what amount of that is through traffic; do you have any idea?

Mr. FRANCIS. Anywhere between 10 and 20 percent on 95, at that point, because you also have 295 to the west.

Mr. CARR. So 80 percent is local traffic, roughly 80,000. My rough calculation is between those four bridges, and I am not including the yellow one or the purple one, I am just thinking about the four main bridges, I think you have called it the Hart bridge, the Main Street Bridge——

Mr. FRANCIS. The Costa Bridge?

Mr. CARR. And I–95. I calculate about 240,000 vehicles per day, then.

Now, what is the downtown employment population?

Mr. FRANCIS. Around 60,000.

Mr. CARR. Sixty thousand?

Mr. FRANCIS. Correct.

Mr. CARR. Do you have any idea how many of those folks live south of the river? Is there any——

Mr. SAWYER. We don't know. South of the river, which is to your right on this particular picture, that is listed among the fastest-growing areas in the United States. It provides a tremendous employment base, and a lot of our workers live north of the river. And trying to get those people across the river, if they are having to change buses two and three times—and that is what prompted us with this intermodal system, is to have the hub, be able to move those people in two- or three-minute headway times over there so that they can move to those transportation areas.

But the largest population of people, now and in the future, is south of the river. Not to discount north of the river. We are growing very dramatically.

Mr. FRANCIS. Mr. Chairman, if I may, I don't know where you are going with this, but something that might be of interest, if you look at the Main Street Bridge and compare a new bridge with what we can do with the skyway, during the peak hour, the skyway, as we have it configured, will carry about 3,300 riders, or vehicle equipment of 3,300 cars.

The peak-hour volume on the Main Street Bridge is about 4,000. So you are almost trading a transportation system for another Main Street Bridge.

Mr. CARR. You know, the aerial photo here looks like there is plenty of parking downtown. What is to really discourage people from driving downtown?

Mr. SAWYER. We have recently announced a commitment by—and that is a problem with all of us. But the city government has recently committed that there will be no more downtown parking, and that they will rely on the skyway.

But if I can go back to this picture, the spiderweb, and you will see the parking along the river up there, that is the government center just north of the Main Street Bridge, and that is part of what is anticipated to being moved along the skyway system.

The plans now are to move that into the private sector for river front development. Most of the surface parking you will see south or along the lane are pieces of property that are for sale. So as development occurs, those parking places will disappear.

Mr. Chairman, if I could just emphasize one more thing, again, this photo with the green line intersected by a purple line and a magenta line across the river, if we go where we are right now with the same funding and without sufficient funding to go across the river, we are letting civil construction now on the green section. We anticipate having a shuttle system on the existing line up the green line, with still two cars. But we have got to have a new controller for that to work automatically.

Now, that means then that when we bid in the future, only the pink will be allowed to be bid and we are then locked into whatever technology that we have got on this segment. And we are also locked into another very small portion.

So when you consider the competitive arena, and I looked at some of the cars, for example, that Honolulu got with respect to their bid, I think it was $1.3 million, and we are trying to buy one, two or three cars, it is in excess of $3 million.

So there are tremendous economies for the taxpayers if we can bid the green and the pink at least from the standpoint of the controllers, the technology and the cars.

I am convinced, we are convinced, after informal talks with various vendors, there will be dramatic economies by being able to do that.

Mr. CARR. Mr. Francis, your statement last year indicated there were 50,000 people working in downtown Jacksonville. Today, you say there is 60,000 now. What accounts for the difference?

Mr. FRANCIS. It has varied between 50,000 and 70,000 for a number of years. We have new businesses come in and we have some that leave, but I think that is a range depending on whether you are talking about the Chamber of Commerce or some other agency, but that range has not changed appreciably in some years.

Mr. CARR. Last year you said your conservative ridership estimate would be 38,000, and yet your statement today says 19,000. Half of what——

Mr. FRANCIS. It depends on what year. And we just redid for FTA a financial plan that concluded ridership. If you are looking at total ridership, we are projecting 25,000 riders in 1998, depending on when this thing can finally be built. That is the problem we have had all along. We get dribbles and drabs of funding and every year we wait inflation takes over, and we have to redo our projections.

But if you look at the makeup of the 25,000, you have got circulation trips, you have got bus trips and you have got park and ride trips. The bus trips are nonrevenue trips, so you are talking about approximately 15,000 revenue trips made up of park and ride, and made up of people who come up and ride the system, either by parking—there are two keys, I think, that we have already proven concerning this project, Mr. Chairman, that I would like to mention, and I think the Chairman mentioned one, and that is good contract administration on the first segment.

The second one is that we had planned a lot of parking areas around these terminal stations. The three terminal stations are on the 2.5 million system, and all three of them have a lot of parking area.

The last segment in pink that goes across the river not only has service parking, it also has a parking garage, we have proven—whereby we have had anywhere from 85 to 95 percent capacity, that people will get out of their cars that close to town and ride the system.

Money derived from parking also contributes to operating revenue. We have not come to the city, the State or the Federal Government for any portion of it, and don't plan to.

Looking at our financial plan, you are seeing a system that in 1998 will be self-sufficient. And the reason for that is the parking. I mean, it is very easy to figure out. We took 5,000 parking places that will be available, and figure capacity at 78 percent, which I think is very reasonable, it is certainly more than that now, and multiply it, 78 percent of the vehicles times 1.2, and you can see right there that you have a ridership, a big bulk of the ridership is coming from parking. So we feel comfortable with that projection.

Another thing is, this happens all the time, I don't know if there is a good answer, this is what you do in school when you ask your son what grades he has, and that is ridership. Why did you all project a certain number back in 1984 and today it is a tenth or half of that, or whatever it might be?

There are two things that we need to address when we look at that: Number one, when the—the first segment, we are operating today, assumptions were made as far as new construction. That never took place. It is not our fault or anybody's fault. The office building, hotel, never took place.

The two segments we are talking about today, the north leg in green and the pink, which is the river crossing, does not assume any new construction whatsoever. It assumes everything being as it is today. In fact, it does not consider the City Hall nor the Federal building moving to the skyway's north leg, because when we did the projections that was not something that was announced. So it was not included.

So I can tell you that the ridership figures we are talking about in the future, we feel like are very realistic, because we are not planning for anybody to help us out with new buildings. We are only planning what we have got today. I think that is very important.

Mr. CARR. Mr. DeLay?

Mr. DELAY. Thank you, Mr. Chairman.

I am not sure I heard you right. The Chairman was quick to pick up on the parking situation, in looking at your picture.

What did you say exactly. Did I hear you say you are going to discourage parking?

Mr. SAWYER. The city has plans now and is committed to them, that there are going to be no more parking garages or space built downtown.

Mr. DELAY. What you have got there is tremendous competition.

Mr. FRANCIS. They can't compete cost-wise. Except for that river crossing, which should be eliminated, and I think will, that really is parking for city employees. The rest of the parking is too expensive. Our parking is $26 a month. Parking downtown is $60.

Whatever is downtown, they can't compete with the parking we have.

Mr. DELAY. So most of the parking downtown is $60 a month?

Mr. FRANCIS. It ranges; $45 to $60. Certainly not $26. It depends on whether it is covered or noncovered, and so forth.

Mr. DELAY. By looking at this photo, how big is downtown? Is that parking I see all around the downtown area?

Mr. FRANCIS. You are seeing most of the downtown area.

Mr. DELAY. And most of the parking anywhere near there is $45 to $60? Do you see this all around here?

Mr. FRANCIS. That is not CBD parking. That is peripheral.

Mr. SAWYER. The green area here is mostly residential. That is not parking. The only parking you will see is—I think this is a better picture for the parking.

Mr. DELAY. That is your CBD right there?

Mr. SAWYER. There is not that much parking around the rail system. And there is zero, other than built years ago in a few basements of downtown, when you are looking at the green and looking at whatever that color is that goes over the river.

Mr. DELAY. Have they taken that action as a formal action, stating that there will be no more parking lots or garages built?

Mr. FRANCIS. A lot of things have happened. Let me digress just a minute. We have a group of people who went to Portland and they came back and said, why in the world can't Jacksonville be more like Portland? The difference is Portland back in the 1970s made a commitment to mass transportation, and we didn't, with the exception of buses, and so forth.

Now we have seen a very dramatic change politically and civic leader-wise with Jacksonville because we are committing now to mass transportation. With that, they have introduced a renaissance plan for downtown Jacksonville that moves City Hall, that does a number of other things, and one of the things it does is encourages mass transportation and discourages people from driving their cars downtown.

The city council still has to vote, it used bond money to do some of what needs to be done. It has not gone through a city council's vote, but it will come up shortly for a vote.

Mr. DELAY. Do you have a local dedicated tax?

Mr. SAWYER. We have a half-cent sales tax that funds our bridges and highways.

Mr. DELAY. I was looking through your testimony. If this is all built, and this will be my last question, what is your cost-effectiveness number?

Mr. FRANCIS. As far as——

Mr. DELAY. The whole system; cost per rider.

Mr. FRANCIS. For the whole system, including capital costs or operating costs, both?

Mr. DELAY. What the FTA asks you to give them for cost effectiveness number, cost per passenger.

Mr. FRANCIS. I will have to send that to you, Congressman. I can give a number, we have just done a new plan, I will have to send that. I would be glad to do that. I don't want to give you something that is incorrect.

Mr. DELAY. Thank you, Mr. Chairman.

Mr. CARR. Mr. Wolf.

Mr. WOLF. What will the hours be that this operates?

Mr. FRANCIS. Right now it is operating six days a week, 10 to 10. With the full system, we will probably go to eight to midnight, seven days a week.

Mr. WOLF. Are you sure the growth is coming downtown? Like a lot of areas, they spread out; and Jacksonville is a very large city that the growth comes out in the suburbs and not in the downtown area.

Mr. FRANCIS. Whether the growth comes or not, it stays where it is, which I think it will. We are looking at introducing a system that will relieve the Federal, State and city governments from having to build a new bridge.

As it is today, we have gridlock on our bridges with the exception of the Costa Bridge, which is being built and will be large enough so it will not have gridlock for some years.

So we are looking at a system to address the problems today. I can't tell you that I am aware of a lot of growth in downtown Jacksonville. We do want to keep what we have, and we think we will do that. But this system is designed to alleviate the problems we have today with a movement across the St. John's River. And that is the key, because we are not unique. But I think it is somewhat unusual to have a river divide your downtown area. And every time you want to cross a river, you have got to use a bridge. And people don't use boats, so we have to accommodate the people that want to move back and forth. There is a lot of movement between the retail and places to eat and the professional services area. And on the south bank you have a lot of office buildings. Prudential southeast headquarters is over there. A large hospital is over there, several other buildings. So we have the movement back and forth. In fact, we are using buses now to move people back and forth, but that is not the most efficient way. So this system is designed to address what we know today are problems in Jacksonville, Florida.

Mr. WOLF. Why wouldn't the buses be the most efficient way?

Mr. FRANCIS. Number one, your operating costs. In 10 years, the capital costs of this system will be amortized to zero. And your operating costs are minimal compared to 78 cents out of every dollar to operate your bus system.

You still have 40 feet of buses downtown in traffic, and you also have the pollution, the emissions that we have today, which will get better as time goes on. But it is much more effective to get to the downtown area. It takes 20 minutes for a bus to travel through downtown Jacksonville.

With this system, they won't come into downtown. And that 20 minutes will be put back into the schedule, and that will eliminate the possibility—or the need we have of buying new equipment because our frequencies will be increased in the suburban areas into the bus system.

Mr. WOLF. Have any of the movers downtown been what you call a real success?

Mr. FRANCIS. You are talking about, I guess, Detroit or Miami. People from Miami will tell you that their system is certainly looking like it is going to be a big success.

It depends on how you measure the system. If you are looking at ridership numbers that were promulgated at first when the ISs were first established, I guess you could say they are not where they should be. If you are looking at the convenience and the quality of life that it gives the people in Miami and in Detroit, I think you would probably say it is a success today.

Mr. WOLF. Everything is a trade-off. It took me an hour and a half to get into work today from where we live in the suburbs.

What is the total cost, Federal, State, and local?

Mr. Francis. Approximately $183 million. That is everything.

Mr. Wolf. What is the Federal share?

Mr. Francis. Of that, 142, I believe, is the Federal share of the total 2.5 mile system.

Mr. Wolf. What are State and local?

Mr. Francis. Some of it is 10, and some of it is 12. We changed the maximum, so it is about $42 million, I believe.

Mr. Wolf. Total match is what? The State and local and——

Mr. Francis. About $43 million.

Mr. Wolf. Percentage? What would that be?

Mr. Francis. 20 percent, 23 percent, approximately, of the total cost of the project.

Mr. Wolf. I have no further questions.

Thank you very much.

Mr. Carr. In this latest round of base closings, was there anything announced in Jacksonville?

Mr. Francis. Yes. One, Cecil Field Air Station, the master jet base.

Mr. Carr. How many people work there?

Mr. Sawyer. 6500.

Mr. Francis. It is pretty far out, Representative.

Mr. Carr. I am familiar with it.

Mr. Francis. Out of necessity, it is pretty far out.

Mr. Carr. Based on what communities are willing to do today for light rail or people mover kinds of things, 22 percent match is pretty low. It is legally permissible. It is just a threshold.

You think Jacksonville community would increase its match?

Mr. Francis. Let me say several things. And then the Chairman—would you like to go first?

Mr. Sawyer. No. You go right ahead. You are on a roll.

Mr. Francis. We started this process back in 1978. And the rules of the game then, as you know, was 75 percent, 25 percent. And the thing I think that has hurt us the most is having such a gap between these segments.

I firmly believe if we were able to—we couldn't build the next segment until the first segment was in operation. But in 1989, if we had had the money to start, we could have been through with this synch thing today, and the over match concept might not have been such a problem.

If you are talking about over match, you have got to look at upwards of $30 million that the community is about to or has put into this system in the form of land, in the form of parking places, and, most importantly, in the form of a multistory parking garage to accommodate the station across on the south bank.

So as far as over matching the 10 percent or 12 percent, I don't see that happening, Mr. Chairman.

As far as trying to get credit for what we are doing associated with the project, I think certainly we will continue to do that. But that is in kind as opposed to actual dollars.

Mr. Sawyer. Mr. Chairman, if I might add——

Mr. Carr. Mr. Sawyer.

Mr. Sawyer. After the 2.5 mile system, we recognize rules are changing. We based our decision to go with this based upon the rules we were playing by. And Congressman Wolf was not here, I don't think, at the time I talked about it. But in the interim time that this was going on in the 80/20 match, our community has expended monies on systems, bridges, and highways that could have been funded by Federal dollars for around $200 million.

We have built the yellow line, as I said, the Dade Point Bridge, very famous bridge, of $120 million. Just north of that right now is $33 million worth of work going on, all with local dollars, all which could qualify for Federal dollars.

So we have spent—the four bridges that we have built with local dollars were all qualified for Federal dollars. About 100 miles of the expressway system we have built with local tax dollars, all qualified for Federal dollars.

So when we start talking about match, I hope we will get credit for what this community has done over the last 20 years in building projects that could have been Federally funded.

And, listen, you are looking at a guy—I am ready, you know. We have got to do something in this country. I know what you are up against; and I am not one to sit here and say, yes, but do it to somebody else, not us. But at the same time, we are sitting here 65 percent into a project that, if it is not completed, we are in a real mess because we have spent 15 years planning around this as being our hub for a mass transit system and a good one.

So when I come back in three years, if I do, I know that I can't come up here and expect 20 percent dollars; and I know that the rules will change; and I know that we have got to do things differently in this country. But I hope you will stay our partner through this last segment, because we are in a mess if we don't.

Mr. Carr. Would the gentleman yield?

Mr. Wolf. Yes. I have nothing else.

Mr. Carr. If you can get Federal dollars for all these other projects, why didn't you?

Mr. Sawyer. The main reason, Mr. Chairman, is the fact that—this may or may not be a sensitive subject; it is to me. But we are an over-matched State, and the Federal dollars that come back—anything we do with matched dollars in Florida is an over match because we are a funding State. We are an over-matching State.

So when we are sitting here looking at needed expressway and roadway systems that need to be built and we have the funding formulas that all of us have in these various states, we would have been so far behind in our transportation system we could never catch up.

So the people of Jacksonville decided that we are going to have transportation systems, and we are going to move our people around the State; and we won't wait on the Federal and State dollars; we are willing to fund it ourselves. So we erected toll bridges; we erected toll facilities. And then, in 1989, they voted to remove the tolls and to—voted now, as a referendum, a half cent sales tax on themselves for needed transportation facilities.

Now, most of that, of course, in the beginning, is paying off those old bond issues. But, gentlemen, we have paid an awful lot of dollars because, simply, if we had waited until the Federal and State dollars were available, we would have to ride in balloons.

Mr. CARR. About how much of the total cost is dedicated to building parking garages, Mr. Francis?

Mr. FRANCIS. None of the costs that I have talked about today. That is separate and apart of all the dollars that we are talking about. You know, up until just recently you couldn't use money for parking to begin with. So all the parking that we have is separate and apart from grant monies that we have talked about or have talked about in the past.

Mr. CARR. Help me, then, with the statement last year that you made that, "The total skyway parking—and I am quoting now, "The total—this is out of the hearings that we had in 1993, and this is a prepared statement—well, I am trying to look here as to who the author is. We have your testimony from last year, but it was something that accompanied—it was called a position paper, Jacksonville Automated Skyway Express, Transit Benefits, probably some kind of supporting document.

But it says in this document that, and I am quoting, "The total skyway parking costs are approximately $37 million," close quote.

What is that referring to?

Mr. FRANCIS. That is local dollars that we have put in to the parking surrounding the peripheral stations and will put in. It is going to build a parking garage at one of the stations. That is the Downtown Development Authority.

We have bought land with our own sources—actually with toll money from the highway side—to support parking around these stations. It did not come from the Federal Government.

Mr. CARR. In other words, $37 million worth of parking costs are coming from your dedicated tax?

Mr. FRANCIS. Well, it is coming from our dedicated funds. It is not taxed. Tolls are a tax; I guess that would be a fair statement. But it is not sales tax. We need to distinguish between sales tax and tolls.

Let me conclude, Mr. Chairman, if I might, in saying that we feel like that we have a real unique opportunity here. And that is, for once in our history and in the history maybe of this country, we have a chance to get ahead of the curve. We have a chance of doing something before it is too late and it is past the point of being needed.

And I have to give credit to people who came way before me in being futuristic in getting this started. And now that it is over two-thirds of the way completed, we feel like that it is going to be a very viable system and it is going to alleviate some of the problems we have as far as building bridges across the St. John's River in Jacksonville.

So, as the Chairman said, I certainly hope that we can continue this partnership until the 2.5 mile system is finished. It was actually started in 1973; and, hopefully, we will finish it in the mid-1990s.

Mr. CARR. Well, I want to say that the history of this particular project, as it was with some of the other people mover projects, has been a tortured one; and it is quite clear that that forms a basis of why we are where we are today. And now we have to figure out how we get out of it.

I think it is fair to say I don't speak for all the members of my committee, but we have had enough discussions about this project in Detroit and the Miami people mover, not to mention assorted other projects that have been proposed around the country and some of it we are aborting. I think it is fair to say that if this were coming to us today, I mean, if you were coming here asking for initial planning and design money to think up something like this today, we probably wouldn't be helping you. So we are all kind of stuck with what has happened before, and much of it hasn't happened very efficiently.

It is my hope that when we finally get an FTA administrator, that we can, perhaps, get an omnibus solution to this particular project that will treat it as a whole and stop this piecemeal stuff and work out some forward thinking deal. And I understand how people might say, well, that changes the rules of the game. But I think we may need to have more in the way of a local match on this particular project.

I am not about to tell you what the solution or the formula might be. And I think this committee would be interested in moving this project off its assembly line, if you will, in a way that saves the Federal taxpayers some money, commits to some kind of a long-term, hopefully beneficial, conclusion for the people of the Jacksonville area, and sort of get on with it instead of a drib and a drab here, which has been unfortunate.

If there are no other questions, I appreciate you taking the time and your presentation. I want to applaud you on the graphics. That is so helpful in having the committee understand what is going on.

Mr. FRANCIS. Thank you, Mr. Chairman.

Ms. BROWN. Thank you, Mr. Chairman.

[Additional information follows:]

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April 9, 1993

Congressman Bob Carr
Chairman
House Appropriations Subcommittee
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2347 Rayburn House Office Building
Washington, D.C., 20515

Dear Congressman Carr:

We would like to thank you and your Committee for allowing us to testify on behalf of the Jacksonville Transportation Authority and its very vital Skyway people mover project. Members of the Committee have submitted some questions concerning this project that I would like to take this opportunity to answer.

During our testimony, Congressman Delay requested that he be supplied the cost effectiveness index figure relative to the project. We have calculated the index for the completed 2.5 mile system, using very conservative assumptions, to be 3.22. This figure represents the relationship between the projected ridership and the capital/operating cost. We believe the actual cost-effectiveness will be significantly better and show a lower index value relative to this conservative estimate. It should be pointed out that the Skyway project, being one of the original demonstration projects in 1984, along with Miami and Detroit, was not required to have a cost effectiveness index figure. However, based on the Committee's request, we have computed the above figure based on updated information contained in our Financial Plan.

We were also asked a question concerning the Authority's overmatch relative to this project. We have already, or will have invested, by project's completion, over $30 million or 16.6% of the total project cost. This money is separate from and in addition to Federal, State or City funding. These funds have been and will be dedicated to guideway right-of-way procurement and funding for parking in and around Skyway station areas. The largest single expenditure is $20 million for a parking garage that will be connected to our southbank duPont Center station.

In addition, any discussion of overmatch in the Jacksonville area must include our history of undertaking major transportation investments by the Jacksonville Transportation Authority without calling for Federal funds. Area roadways, with a current value of about $1.7 billion, were constructed by JTA with non-federal funds, reflecting a major local commitment to fund many components of our infrastructure outside the Federal programs.

The answers to the questions that were submitted to the Authority by yourself and Congressman Wolf, prior to our verbal testimony, are attached.

As we stated during our testimony, this project has been studied, analyzed, dissected and voted on since 1976. The Federal government, through the Federal Transit Administration, has appropriated funding each year since 1984. While we are extremely grateful to Congress and to the FTA, it is important to note that we have never had adequate funding, at one time, to build this project in a efficient and cost-effective manner. We have been limited to building small segments at a time and then waiting for years until adequate funding was available to go to the next contract.

Since we are currently 65% funded and only have one segment remaining, it is critical that our request to fund the project to the authorized amount be considered and supported.

Again, your support is critical to the completion of this project.

Sincerely yours,

Miles N. Francis, Jr.
Executive Director

MNF/pal

Attachment

JTA
4/1/93

QUESTIONS SUBMITTED BY CONGRESSMAN CARR - JTA SKYWAY PROJECT

1. **Status of air quality attainment level: downtown Jacksonville?**

   We are currently considered a maintenance area for ozone.

2. **Projected ridership estimates (first year of full operation) and how calculated?**

   1998 - 25,000 passenger trips per day broken down as follows:

   Circulation 6,700, Park & Ride 7,700 and bus transfers 11,500.

3. **Have you included Section 9 funds as part of your local funds? Source of local match?**

   No Section 9 funds used for capital or operating.

   City match (capital) from ad valorem taxes and local gas tax.

   City match (capital) should change to tax incremental financing for final segment.

4. **Overmatch?**

   The Authority has and will, as part of the completed 2.5 mile Skyway system, provide for over $30 million in overmatch or 16.6% of the total project cost. All of the overmatch funds are separate and apart from any Federal, State or local funding for this project.

   a) Phase 1A - $4 million (9%) for Park & Ride facility at terminal station.

   b) Phase 1B - $20 million (13%) for parking garage at duPont Center station.

   $670,000 (.4%) of donated right-of-way to be used for guideway construction.

   $1.5 million (.9%) of donated right-of-way to be used for guideway construction.

   $1.3 million (.8%) internal funding for additional parking spaces.

$3 million donated right-of-way that will allow guideway construction as part of the Acosta Bridge facility.

$30,400,000 total local overmatch or 16.6% of total project cost.

5. **1993 and 1994 funding obligated?**

No 1993 funding has been allocated.

All of 1994 funding requested will be obligated in FY94.

6. **FTA support?**

FTA has currently been very supportive, particularly out of their Atlanta region.

7. **Public benefit from your project?**

- River crossing segment (funds now being requested) is less costly than a new 4-lane bridge and will handle considerably more passengers - Savings of $120 million.
- Eliminate the need for additional parking garage in the downtown area, based on 5,000 spaces provided by the Skyway project - Savings of $33 million.
- Improvement in bus service by re-allocating resources - Savings of $1.5 million per year.
- Fuel savings of 288 gallons per year, hydrocarbon 9.5 tons per year, carbon monoxide 174.5 tons per year, oxide of nitrogen 12.9 tons per year.
- Time savings for users - $2.1 million per year.

Other benefits such as construction-related jobs, payroll, etc. are found in my written testimony.

JTA
4/1/93

QUESTIONS SUBMITTED BY CONGRESSMAN WOLF, RANKING MINORITY MEMBER (VIRGINIA) - JTA SKYWAY PROJECT

1. **Organization to receive funds?**

   The Jacksonville Transportation Authority.

2. **Amount of money requested for FY94?**

   $56.2 million

3. **Use of Funds?**

   To construct river crossing segment (last of three segments) of Automated People Mover project ("Skyway") including civil construction and construction of the train control and vehicles.

4. **All funds related to construction?**

   Yes, funds are for construction purposes.

5. **Impact on national transportation network?**

   a) Full system will accommodate approximately 25,000 passenger trips (weekday) of which approximately 14,400 now use private vehicles utilizing I-95, US-17 or US-1.

   b) If project is not completed across the river, a new bridge spanning the river will have to be constructed at a cost of approximately $200 million, affecting further traffic congestion in the very confined downtown area.

6. **In FY93, amount of Federal money received?**

   $10 million appropriated but not as yet allocated.

7. **Federal funds received in prior years for this project?**

1984	$400,000 (Phase 1A)
1985	20 M (Phase 1A)
1986	3 M (Phase 1A)
1988	160,000 (Phase 1A)
1989	1.3M (Phase 1A)
1989	7 M (Acosta Bridge)
1989	3.9M (Phase 1B)
1990	14.7M (Phase 1B)
1991	15.1M (Phase 1B)

Appropriated but not allocated

1992	5 M
1993	10 M

8. **Future additional funds?**

We will require $17.3 million in addition to the current request of $56.1 million to complete all facets of the 2.5 mile system. This additional amount relates exclusively to an inflationary factor, since the authorized amount of $71.2 million is in 1988 dollars.

9. **Total cost of project and Federal government share?**

Total cost of complete 2.5 mile system is projected to be approximately $183 million, total Federal share, including money already allocated, approximately $142 million.

10. **Local, State and/or private funds utilized for this project?**

Local and State match has, and will contribute $42 million, of which $33 million is in place.

11. **Asking for funds for any other projects from any other Committee?**

No.

12. **Is this project a highway project?**

Not applicable.

13. **If it is a transit project, does it receive general public support?**

a) Yes, for example, the Florida Legislature has appropriated all required State match.

b) Have 14 resolutions from City Council supporting and agreeing to fund local share of project.

c) Have Mayoral support as a matter of public record through speeches and other public testimony.

d) 1990 survey by former Congressman Charlie Bennett indicated 68% of 5,000 citizens surveyed supported funding this project.

e) Business and civic leaders, through the Chamber of Commerce, have strongly supported this project from its inception.

14. **Any dedicated local funding sources:**

The City intends to use bonds from tax incremental financing to support its remaining match.

MONDAY, MARCH 29, 1993.

RAILWAY LABOR EXECUTIVES' ASSOCIATION

WITNESSES

MAC A. FLEMING, CHAIRMAN, COMMITTEE ON LEGISLATION, RAILWAY LABOR EXECUTIVES' ASSOCIATION, AND PRESIDENT, BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

WILLIAM MAHONEY, COUNSEL FOR THE RAILWAY LABOR EXECUTIVES' ASSOCIATION

Mr. CARR. Our next witness will be Mac A. Fleming, Chairman of the Committee on Legislation, the Railway Labor Executives' Association. Thank you for being here. I appreciate it.

I want to also point out that Mr. Fleming is President of the Brotherhood of Maintenance of Way Employees, rail labor organization that my uncle was a life long member of.

We will take your testimony in its entirety, put it in the record, and ask you to summarize.

Mr. FLEMING. Okay. Thank you, Mr. Chairman.

I know it has been a long day; and for the sake of time, we are going to try to summarize the summary that we had prepared for you.

And before I begin, I would like to introduce Mr. Mahoney, Bill Mahoney, Counsel for the Rail Labor Executives' Association, to my immediate right.

As you mentioned, Mr. Chairman, I am Chairman of the Committee on Legislation for the Rail Labor Executives' Association and President of the Brotherhood of Maintenance of Way Employees.

The Rail Labor Executives' Association is an unincorporated association of the chief executives of the standard national labor organization representing railroad employees on Class I, Class II, Class III track throughout the United States.

A list of the 12 organizations I represent today are attached to the testimony.

I appear before you today on behalf of the Rail Labor Executives' Association and its members to urge this committee and the Congress to support the appropriations authorized for Amtrak for fiscal year 1994 as well as the supplemental appropriation for fiscal year 1993 and the amount designated for Amtrak in the President's economic stimulus package.

The Rail Labor Executives' Association also vigorously supports and urges the creation and development of high-speed rail corridors in the United States.

The Rail Labor Executives' Association is in full agreement with the testimony submitted to this committee earlier by Chairman Dingell of the Energy and Commerce Committee. The public benefits intended upon the development of such corridors are reflected in the success of the northeast corridor project that has improved transportation between Washington and New York City and will soon be developed fully between New York and Boston.

But beyond the overall public benefit to be realized from improved transportation and, therefore, commerce between major city pairs throughout the country, it is the benefit to the railroad workers represented by the members of the Rail Labor Executives' Association.

According to the Bureau of Labor Statistics, railroads' productivity has increased dramatically throughout the mid-1980s, averaging over 8 percent and sometimes reaching as high as 15 percent per year, especially in our own organization, the Brotherhood of Maintenance of Way Employees.

At the same time, rail employment has dropped precipitously over the last 12 years. Today we find employees with 25 to 20 years of seniority that cannot hold a job in some major carriers. These people are highly skilled, able to work, and ready to go to work and are especially suited for railroad operations.

Today the railroad industry has thousands of such workers that are furloughed and are working outside the industry wholly unrelated to their skills. The development of high-speed rail corridors would, of course, put these employees to work utilizing their skills and with very little retraining to build, maintain, and operate the high-speed corridors as they built and now maintain and operate in the northeast corridor.

Given the budgetary realities of the day, it would seem probable that high-speed rail corridors would be based upon steel-wheel-on-steel rail systems that are now in place throughout the country.

In that event, the first order of business in the development of a corridor would be the upgrading of existing track—or perhaps, dedication of new specific tracks along existing right-of-way—and the skills necessary to accomplish those results are now available in furloughed and active railroad workers.

We have an opportunity to vastly improve the quality of life for the millions of our citizens who travel daily between the major cities in the country that are only 200 to 300 miles apart.

One need only ask any of the tens of thousands of Washington-New York corridor travelers who, long ago, abandoned the airplane and automobile for the ease and convenience of the fast train to appreciate what beneficial effects high-speed rail service provide.

We should proceed immediately to develop these corridors because the time has certainly come when we will be compelled to build them. And when that occurs, we may not only be without the reservoir of skilled employees now available, but the costs will be much higher, indeed. The costs will be more than our economy will, then, be able to bear.

On behalf of the RLEA and its affiliate unions and the rail workers they represent, I urge you to treat favorably the development of high-speed rail corridors and, regardless of the technology decided upon, to require the recall and retraining of furloughed rail workers under rail labor contracts for these projects.

And, before closing, Mr. Chairman, on my comments, I would like to go back to the testimony earlier of Mr. Wayne Kay representing the Enzymatics Company with respect to testing, alcohol, and drug testing. We in the rail industry have worked for years with the Department of Transportation for testing mechanisms throughout the industry and are continuing to do so as we speak.

We think that this—the systems for testing are best handled through them. And we were especially concerned with the thought expressed to this committee that the testing—or the testing methods, that he seemed to be implying would be adequate, would be something less than what the DOT has recommended.

We certainly would urge that—for the record, and urge the committee to give those comments a lot of thought, because we feel strongly that testing methods need to be as accurate as possible. And we are not sure that what he was suggesting would fall into that category.

With that, I would like to thank you for the opportunity to appear here today and represent the views of the Rail Labor Executives' Association.

[The prepared statement of Mr. Fleming follows:]

Before The
United States House Of Representatives
Committee On Appropriations
Subcommittee On Transportation

Prepared Statement Of Mac A. Fleming,
Chairman, Committee On Legislation,
Railway Labor Executives' Association

and

President, Brotherhood of Maintenance of Way Employes

March 29, 1993

Mr. Chairman and Members of the Committee:

My name is Mac A. Fleming. I am Chairman of the Committee on Legislation of the Railway Labor Executives' Association and President of the Brotherhood of Maintenance of Way Employes. The RLEA is an unincorporated association of the chief executives of the standard national labor organizations representing the railroad employees on all of the Class I, and many of the Class II and III, railroads in the United States. A list of the organizations affiliated with RLEA through their chief executives follows:

American Train Dispatchers Association
Brotherhood Of Locomotive Engineers
Brotherhood Of Maintenance Of Way Employes
Brotherhood Of Railroad Signalmen
Hotel Employees & Restaurant Employees International Union
International Brotherhood Of Boilermakers And Blacksmiths
International Brotherhood Of Electrical Workers
International Brotherhood Of Firemen And Oilers
International Longshoremen's Association
National Marine Engineers' Beneficial Association

Sheet Metal Workers International Association
United Transportation Union

I appear before you today on behalf of the RLEA and its affiliated organizations to urge this committee and the Congress to support the appropriations authorized for Amtrak for FY 94 as well as the supplemental appropriation for FY 93 and the amount designated for Amtrak in the President's economic stimulus package. The RLEA also vigorously supports and urges the creation and development of high speed rail corridors in the United States and commends this Committee and the Congress for their continuing support for the training of railroad employees in responding to hazardous materials emergencies.

I. AMTRAK APPROPRIATIONS

As this Committee is aware, Amtrak has done a remarkably effective job of improving its revenue-to-cost ratio from 48% a decade ago to 80% today. A great deal of that result was accomplished by cutting costs. Unfortunately, the single group that has contributed most to Amtrak's costs cutting efforts is the Amtrak work force.

Today, Amtrak's work force has been reduced to the point where the quality of on-board service and the maintenance of its equipment is seriously "degraded", to use a term employed by Amtrak President Claytor.

Such deterioration can easily develop into a downward spiral of diminishing patronage, followed by more cuts, followed by further loss of patronage, and so on. It could reach a point at which rehabilitation would be so expensive that Congress either would be unwilling to invest in it or would be compelled to cut other vital programs in order to do so.

President Clinton quite accurately has gauged genuine recovery in this country in terms of jobs. The economic stimulus package he has proposed allocates $188 million for intercity rail passenger service. The appropriation of this money would mean the immediate creation of many needed jobs. For example, at the Amtrak Beech Grove Shop it will mean the immediate recall of 257 furloughed employees. Other maintenance and track facilities of Amtrak as well as numerous station facilities would be upgraded with these funds resulting in the employment of between 2,000 and 4,000 workers. While this would not cure our unemployment problem it is clearly the type of result which, if realized throughout our industrial complex, would go very far toward resolving our national unemployment problem. The $188 million would provide real jobs for real people who are in desperate need of them.

Amtrak did not have a good year in 1992 in terms of the number of passengers buying tickets. This was due to recession, of course, as well as several other factors, not the least of which was the deteriorated quality of service due to Amtrak staffing cuts. And while Amtrak's revenues declined by 3.3% from 1991, one must remember that 1991 was a record year for Amtrak revenue. In any event, Amtrak faired better by far than the airlines. In fact, Amtrak has maintained a relatively stable performance record while airlines are in the worst shape in their history. This, we believe, is a tribute to Amtrak's success with the travelling public and the public's continuing, and continuously increasing, need for the services it provides.

The RLEA fully supports the authorization of $57.5 million in supplemental operating funds for FY 93. These funds will be used to restore to work service related personnel on board the trains, in stations and in reservations work. The employees need this work and the travelling public needs their services

RLEA also supports the reauthorization of $381 million in federal operating assistance plus the $9.5 million to underwrite new services which Amtrak was effectively required by Congress to inaugurate between New Orleans and Mobile and between Raleigh and Charlotte, North Carolina.

Mr. Chairman and members of the Committee, while we support the appropriation to Amtrak of the above discussed funds, that support is not unconditional. We ask this Committee and the Congress to require that these funds, all of which are for railroad work of one kind or other, be used for the employment of railroad workers to perform that work under Amtrak or other railroad contracts. In short, these government monies should not be used to decimate further the ranks of railroad labor.

II. HIGH SPEED RAIL

The RLEA also supports the creation and development of high speed rail corridors in the United States.

The public benefits attendant upon the development of such corridors are reflected in the success of the Northeast Corridor project that has so improved transportation between Washington and New York City and will soon be fully developed between New York and Boston.

But beyond the overall public benefits to be realized from improved transportation, and therefore commerce, between major city pairs throughout the country, is the benefit to the railroad workers of this country which development of high speed rail would bring. It is no secret that employment in the railroad industry has dropped precipitously over the past 12 years. Today we find many workers with 15 to 20 years of seniority near the bottom of their seniority rosters: the first to go when the next job cuts are made. These people, in many instances, are highly skilled but their skills are specialized skills fully useful only in the operation of railroads.

Today, the railroad industry has thousands of such workers on furlough performing work wholly unrelated to their skills in outside industry. The development of high speed corridors could utilize these skilled workers who would require very little retraining to build, maintain and operate high speed corridors as they built, and now maintain and operate the Northeast Corridor.

Given the budgetary realities of the day, it would seem probable that high speed rail corridors would be based upon the steel-wheel-on-steel-rail system that is now in use throughout the country. In that event, the first order of business in the development of a corridor would be the upgrading of existing track--or perhaps dedication of new specific tracks along existing rights of way--and the skills necessary to accomplish that result are now available in furloughed and active railroad workers.

If one of the more technologically sophisticated systems such as magnetic levitation, is decided upon there are literally thousands of skilled railroad workers who could be employed in their development and operation. To ensure the use of these workers the Congress should require the extension of our existing railroad laws to these projects. Where a railroad is involved as a contractor or when a railroad's right-of-way is being used, its collective bargaining agreement should be applied these projects

We have an opportunity vastly to improve the quality of life for the millions of our citizens who travel daily between major cities in this country that are only 200 to 300 miles apart. One need only inquire of any of the tens of thousands of Washington-New York corridor travelers who long ago abandoned the airplane and the automobile for the ease and convenience of the fast passenger train to appreciate the beneficial effects of this service.

We should proceed with the development of these corridors now because the time is certain to come when we will be compelled to build them and when that occurs, we may not only be without the reservoir of skilled employees now available, but the cost will be much higher; indeed, so high that it may be more than our economy will then be able to bear.

On behalf of the RLEA, its affiliated unions and the railroad workers they represent, I urge you to treat favorably the development of high speed rail corridors and, regardless of the technology decided upon, to require the recall and retraining of furloughed rail workers under rail labor contracts for these projects.

III. HAZARDOUS MATERIALS TRAINING

I would like to discuss for a moment a government program that is accomplishing the end for which it was designed. It is a program that is really working and making an enormous contribution to the public interest.

As you know, railroad workers and communities located near railroad lines have potential exposures to hazardous materials in emergency situations such as derailments that compare in seriousness and magnitude with those in any other industry. An estimated 81 million tons of hazardous materials and hazardous waste were shipped by rail in 1991, a volume which increased by almost 50 percent over five years. In 1991, more than 1.7 million carloads of explosives, highly flammable substances, radioactive wastes, poisons, pesticides, and other hazardous materials were transported by rail. Other materials not regulated as hazardous in rail transportation, such as metam sodium, which sterilized 40 miles of the Sacramento River and caused numerous human injuries, and solid and industrial waste, add substantially to this total.

As the volume of hazardous materials shipped by rail has increased, so has the number of serious hazardous materials problems. Although rail accident rates are lower than in 1980, most of the decline had taken place by 1986. Since then, overall accident rates have leveled off or begun to rise. For trains carrying hazardous materials, accidents increased 28%. According to the Department of Transportation, 1,130 hazardous material incidents were reported in rail transportation in 1991, an increase of 36% since 1982.

From the viewpoint of safety oversight, the trend of increasing safety problems is just as troubling. The Federal Railroad Administration (FRA) is responsible for issuing and enforcing safety rules along the nation's railroad system. In 1989, the FRA relied on only 28 hazardous materials inspectors nationwide to inspect an estimated 85 railroads, 15,000 shippers and over one million carloads of hazardous materials. This number has increased only recently to 42 inspectors. Over a five-year period from 1985 to 1989, FRA inspections had identified an increasing number of safety defects and violations.

Coupled with increasing hazardous materials traffic and indications of safety problems, is the virtual lack of training provided to rail workers by the railroads themselves. The National Transportation Safety Board has noted that training conducted by railroads "has not adequately prepared railroad employees to handle an accident or incident involving hazardous materials." Mistakes made by those first responding to such an event can change a small incident into a major emergency, with serious chemical exposures for workers, communities and the environment.

In the Superfund Amendments and Reauthorization Act of 1986 (SARA), Section 126(g), Congress authorized an assistance program for training and educating workers engaged in activities related to hazardous waste generation, removal, containment or emergency response and hazardous materials transportation and emergency response. Congress assigned responsibility for administering this program to the National Institute of Environmental Health Sciences (NIEHS), in the U.S. Department of Health and Human Services. Recipients awarded agreements under the program are nonprofit organizations with demonstrated ability to identify, describe and access target worker populations and with demonstrated experience with implementing and operating worker health and safety education and training programs. Congress authorized funds for the SARA program for a five-year period beginning in October 1986.

In cooperation with the Railway Labor Executives' Association and with six rail unions, the George Meany for Labor Studies was awarded a two-year grant in 1991. The participating unions were the Brotherhood of Locomotive Engineers, the Brotherhood of Maintenance of Way Employes, the Brotherhood of Railroad Signalmen, the Transport Workers Union, the Transportation•Communications International Union, and the United Transportation Union. In 1992, the International Brotherhood of Firemen and Oilers and the International Brotherhood of Boilermakers joined the program.

The goal of the program has been to develop training for 164,000 rail workers involved in the transportation of hazardous materials and hazardous waste. It is intended to be a model for hazardous materials training in rail transportation. The program also is intended to build a broad worker and geographic base of support for changes which will improve protection from exposures to hazardous materials transported by rail for workers and communities. This support depends upon rail workers having the knowledge and skills necessary to recognize risks and to identify effective actions to address them. These skills and knowledge also are necessary for rail workers to monitor their workplace, document problems and obtain protection on a daily basis.

Training is provided for operating crews, carmen, signalmen, and maintenance of way workers who are responsible for recognizing a hazardous materials release and initiating an emergency response process. Further training is provided for maintenance of way workers and other crafts involved in post emergency response clean-up and general hazardous waste operations. All program objectives of the first grant were accomplished and many were exceeded. A total of 1,763 workers were trained, with waiting lists formed for most classes. Training was conducted in 21 cities for workers from 46 states. By August 1993, over 3,000 railway workers will have been trained. This one-day training covers the content required for first responders at the awareness level by the Occupational Safety and Health Administration (OSHA).

Four day hazardous waste and chemical emergency response training sessions have also been conducted in cooperation with the International Chemical Workers' Union's Center for Worker Health and Safety Education. This program covers in more depth the subjects of the one-day session and adds selection and use of respiratory protection; incompatible chemicals; selection and use of chemical protective clothing/levels of protection; Level B dress-out/spill containment techniques; and spill simulation/Level A and B dress-out/decontamination. This training is most important for maintenance of way workers. In virtually every spill of hazardous materials in railway transportation, maintenance of way workers must clean-up and repair track without the training, protective equipment and other protections required for workers in other industries.

As required by the Hazardous Materials Transportation Uniform Safety Act, the U.S. Department of Transportation has issued training requirements for persons involved in the transportation of hazardous materials. These requirements, which are to become effective next month will begin to address the need for training workers who directly affect hazardous materials transportation safety.

Section 118 of the Hazardous Materials Transportation Uniform Safety Act of 1990 (HMTUSA) establishes a program of grants to nonprofit organizations for training and education of workers involved with transportation of hazardous materials. Paragraph 118(d) states that the National Institute of Environmental Health Sciences (NIEHS) shall have available $250,000 per fiscal year for six fiscal years beginning in 1993. This paragraph specifies that these funds shall be available from amounts in the account established from fees collected by DOT from transporters of hazardous materials. This account is described in section 117. Paragraph 117(h)(6)(B) states that amounts in this account shall be available for making grants under section 118, without further appropriation.

In August 1992, the George Meany Center for Labor Studies was one of 18 nonprofit organizations awarded funds by NIEHS for three additional years of training for hazardous waste and emergency response workers. The amount of funds received for the training program for rail workers was $725,332. This is 13% less than the amount received for the previous year and 25% less than the amount requested. The reduction from the previous year's level of funding, in particular, has produced a negative impact on the development and momentum of a program which will have long-term positive results. Hopefully those reductions will be made up by amounts received from DOT under HMUTSA. We are now working with DOT to achieve that end. This very effective program should continue to be encouraged and supported by the Congress as it is effectively serving a very significant public purpose.

On behalf of myself and my fellow RLEA members I wish to thank Chairman Carr and the members of this Committee for affording the RLEA this opportunity to express our views on subjects that are of great importance to us and the railroad workers we represent.

Mr. CARR. Thank you very much, Mr. Fleming. We appreciate your being here. We have noted, with interest, your comments also on hazardous materials.

Mr. Wolf.

Mr. WOLF. Just one question. When you talked about high speed, is it high speed? Ultra high speed?

I am trying to get the definitions down. One is up to 150 mph and the other is higher than that.

Mr. FLEMING. Yes, that is basically it. It depends on which mechanism you are using, which equipment you are using, and what the preparation under the existing track today——

Mr. WOLF. I understand. What do you support?

And, with your experience, what do you think that the committee and the administration should be looking at? Should we be looking at high speed up to 150 mph, or ultra high speed?

Mr. FLEMING. We are supporting high speed. We think it is the most viable system out there today and the one that is most cost appropriate and efficient today.

Mr. WOLF. That is up to 150 mph?

Mr. FLEMING. Yes.

Mr. WOLF. Thank you very much.

Mr. CARR. Regarding that, are you familiar with the testimony of Mr. Claytor with regard to how we ought to proceed incrementally?

Mr. FLEMING. I have read that testimony, yes.

Mr. CARR. Do you agree with Mr. Claytor on that.

Mr. FLEMING. Yes.

Well, when I say at 150 miles per hour, you know, there are some systems that are out there that are certainly more capable of that; and eventually I would hope that we have the opportunity to utilize those systems in this country.

In the immediate future, I think the goal is 150. But that could certainly go up as the technology improves and so forth. And I think that is what Mr. Claytor was saying as well.

And I think that our potential of looking at speeds much higher than 150 are in due time. But at the present time, I understand in the northeast corridor the goal is 150 with the X2000, and the appropriations would seem to support that.

Mr. CARR. In other words, you support the electrification of the northeast corridor?

Mr. FLEMING. No question, yes, sir.

Mr. CARR. Thank you very much for your testimony. Appreciate your being here today.

MONDAY, MARCH 29, 1993.

NATIONAL STONE ASSOCIATION

WITNESSES

PAUL C. MELLOTT, JR., EXECUTIVE VICE PRESIDENT, H.B. MELLOTT ESTATE, INC., (WARFORDSBURG, PA) AND CHAIRMAN, GOVERNMENT AFFAIRS DIVISION, NATIONAL STONE ASSOCIATION

WILLIAM D. KELLEHER, VICE PRESIDENT, GOVERNMENT AFFAIRS, NATIONAL STONE ASSOCIATION

Mr. CARR. Our next witness will be Mr. Paul Mellott, Jr., Executive Vice President of H. B. Mellott Estate, Inc., of Pennsylvania and Chairman of the Government Affairs Division of the National Stone Association.

Welcome. Appreciate your being here. Your statement will be included in its entirety in the record. We ask that you summarize.

Mr. MELLOTT. Thank you. And I intend to do so, Mr. Chairman. I am Paul Mellott, Jr., Executive Vice President of H. B. Mellott Estate, Incorporated of Warfordsburg, Pennsylvania.

My appearance today is on behalf of the National Stone Association, where I serve as Chairman of the Government Affairs Division.

I am accompanied by William D. Kelleher, NSA's Vice President of Government Affairs.

Mr. Chairman, the crushed stone industry would like to offer three points related to our industry for the committee's consideration as you review fiscal year 1994 U.S. DOT budget.

As a capital intensive industry, a reliable and predictable market for our product creates the best environment for investment decisions for both acquiring reserves of aggregate deposits and purchasing plant and equipment. To provide quality aggregate at reasonable prices, we need to work together with the public sector to smooth the large fluctuations in the infrastructure construction market.

By physical volume, our products represent between 85 percent of a concrete road and between 95 and 98 percent of an asphalt road. Clearly, we need to be involved in any discussion on quality and durability of roads and highways. We would like to discuss with the subcommittee the work being done at the International Center for Aggregate Research at the University of Texas at Austin which we jointly sponsor with the National Aggregates Association through the Aggregates Foundation.

Finally, both as a user of our Nation's road network and a principal supplier to its construction, we believe one of the most important questions before the Congress and your subcommittee is determining the Federal role in highway construction and maintenance.

The crushed stone industry has, traditionally, been cyclical in nature. Approximately half its demand is based on building construction related to housing and commercial development which is driven by shifts in interest rates. The other half of the aggregate industry is based on public works which is driven by the political process.

The imputed cost for the crushed stone industry from the wide fluctuations in public support for infrastructure is estimated to be approximately 250 to $325 million per year based on the standard analysis of the cost to the construction industry of cyclical variations in demand and an overall crushed stone annual market of $5 billion.

However, this cost is not evenly distributed because of the highly localized nature of crushed stone markets. Costs will fall disproportionately on those areas where public support for infrastructure spending has wide fluctuations or investments in highways and other public works are highly dependent on unreliable State and Federal programs.

Let me briefly give you some examples of how cyclical fluctuations impact our industry.

Up front costs to prospect, drill, and analyze the geology, test the suitability of the rock for construction purposes, permitting, zoning and site preparations during construction of the plant requires a large capital expenditure over a period of years. In major metropolitan areas, costs associated with permitting and zoning total hundreds of thousands or even millions of dollars spread over five or more years.

If a substantial investment in land purchase is added, the amount of money spent prior to making the first sale is usually in the millions of dollars. The higher risk associated with uncertain markets put quarrying investments at a disadvantage when they are compared to shorter, more certain investments.

Labor is the third and, absolutely, most important input, influencing production. Labor is most important because the effective use of the other two factors depends completely on the skill of the labor force. In every aspect of the business, labor can make the difference between a highly profitable enterprise and one that is marginal or unprofitable.

Layoffs carry the risk that skilled employees will find other suitable full-time employment. For our industry to invest in training and developing employees and to ask our employees to make a commitment in developing their careers as part of our operations, we need to be able to offer them jobs with a long-term future for themselves and their families.

Providing full funding for each year's authorization level for ISTEA is the single most important thing Congress can do to address these issues. Full funding will provide a reliable and predictable source of funds and will encourage States and localities to develop their programs as well.

There is a need for the aggregates industry to support research into the basic properties of our materials and the proper application of these to design and construction.

Aggregates are a vital resource which needs to be available in each locality and which needs to be efficiently—to be used efficiently to minimize wasted sizes of crushed stone. Today, research in the uses of aggregates is essentially being done by others outside the industry. We are being told how they intend to use our products, oftentimes not taking advantage of aggregates' inherent qualities. Specifiers are driving the train without the requisite education and training in aggregates. Arbitrary limits are often imposed without sound technical basis.

Leadership is needed from the aggregates industry for a commitment to scientific research and education on the basic properties and uses of our own products. By being proactive in education and research, we can take control of our future by demonstrating the superior performance of properly utilized aggregate products. Authoritative research and education of specifiers, contractors, and materials suppliers is needed.

NSA firmly believes in public-private-academic partnerships to develop and support research related to the aggregates industry. As part of our industry's commitment to this concept, we have joined with our sister association, the National Aggregates Association, to create the Aggregates Foundation for Technology, Research and Education. The foundation has raised over $4 million from companies and individuals in our industry to fund research in the field. We have recently selected the University of Texas at Austin in cooperation with Texas A&M to be our research center which is known as ICAR, the International Center for Aggregate Research. This consortium will manage and conduct a research program of the Foundation.

Further, NSA has recently published The Aggregate Handbook. It is the product of 27 authors drawn from the academic and business communities. The Handbook's publication demonstrates how both sectors can work together to provide vital, authoritative information.

We are already beginning to see progress on research from the efforts in Texas. Dr. Joe Button, a research engineer with the Texas Transportation Institute at Texas A&M, is doing work in conjunction with ICAR on the use of large stone asphalt mixes. Large stone aggregates result in lower production cost for us; and with proper mixes, it improves pavement performance. Dr. Button notes in an article in the Center's first newsletter, Aggregate Views: "When mixture designs are right, the large stone mixes seem to make for roads that stand up to heavy truck loads and high pressure tires."

NSA is also actively reviewing the European experience in building more durable roads and road surfaces. Attachment 2 is a series of articles published in Stone Review, NSA's magazine on "Rutting and Shoving in Asphaltic Concrete Pavements." I would specifically like to highlight the sections dealing with Michigan Department of Transportation's experiments with SMA. MDOT's program worked very well. However, they brought their aggregates several hundred miles to approximate the characteristics of European pavements. This resulted in a, roughly, 600 percent increase in aggregate costs. Clearly, we in the industry need to work to develop methods to use local aggregate sources if the MDOT research is to result in cost-effective results.

NSA strongly supports a continuing Federal role in meeting our Nation's surface transportation infrastructure needs. ISTEA should provide the basic framework for meeting the Federal responsibilities in this field. And the National Highway System proposed in ISTEA should be the top federal priority within that structure.

Some thirty-five years after its inception, the National System of Interstate and Defense Highways is about to be declared complete.

Developing the National Highway System will continue this important Federal contribution to building national economic growth and creating new jobs.

Mr. Chairman, NSA specifically recommends full funding ISTEA for fiscal year 1994 and urges you to work to see that its multi-year commitment to funding our surface transportation needs are kept.

To accomplish this mission, we pledge our support in working with you and the authorizing committee to restore the 2.5 cents the Federal gasoline tax currently being used for deficit reduction to the Highway Trust Fund. The revenue stream to the trust fund must be strengthened if the total funding commitments of $155 billion for ISTEA are to be met.

While our testimony today is focused on highways, we would also urge support for full funding for the Airport Improvement Program, the capital improvement program for Amtrak, and the research budget within U.S. DOT.

Thank you for your consideration of our views. We would be happy to answer any questions.

[The prepared statement of Mr. Mellott, Jr. follows:]

STATEMENT OF
PAUL C. MELLOTT, JR.
ON THE FY 1994
U.S. DEPARTMENT OF TRANSPORTATION APPROPRIATION
FOR
THE NATIONAL STONE ASSOCIATION
MARCH 29, 1993
BEFORE
THE HOUSE SUBCOMMITTEE ON TRANSPORTATION APPROPRIATIONS

I am Paul C. Mellott, Jr., Executive Vice President of H.B. Mellott Estate, Inc. in Warfordsburg, Pennsylvania. My appearance today is on behalf of the National Stone Association where I serve as Chairman of the Government Affairs Division. I am accompanied by William D. Kelleher, NSA's Vice President for Government Affairs.

Mr. Chairman, the crushed stone industry would like to offer three points related to our industry for the committee's consideration as you review the FY 1994 U.S. Department of Transportation budget:

- As a capital intensive industry, a reliable and predictable market for our product creates the best environment for investment decisions for both acquiring reserves of aggregate deposits and purchasing plant and equipment. To provide quality aggregate and reasonable prices we need to work together with the public sector to smooth the large fluctuations in the infrastructure construction market.

- By physical volume, our products represent approximately 85 percent of a concrete road and between 95 percent and 98 percent of an asphalt road. Clearly, we need to be involved in any discussion on quality and durability of roads and highways. We would like to discuss with the subcommittee the work being done at the International Center for Aggregate Research at the University of Texas at Austin which we jointly sponsor with the National Aggregates Association through the Aggregates Foundation.

- Finally, both as a user of our nation's road network and a principal supplier to its construction, we believe one of the most important questions before the Congress and your subcommittee is determining the federal role in highway construction and maintenance. We would specifically like to address this issue in the context of the national highway system proposal and the delineation of responsibilities between different levels of government.

Why Highway Funding Needs to be Reliable

The crushed stone industry has traditionally been cyclical in nature. Approximately half its demand is based on building construction related to housing and commercial development which is driven by shifts in interest rates. The other half of the aggregate industry is based on public works which is driven by the political process.

The imputed cost for the crushed stone industry from the wide fluctuations in public support for infrastructure is estimated to be approximately $250 million to $325 million per year based on the standard analysis of the cost to the construction industry of cyclical variations in demand and an overall crushed stone annual market of $5 billion. However, this cost is not evenly distributed because of the highly localized nature of crushed stone markets. Costs will fall disproportionately on those areas where public support for infrastructure spending has wide fluctuations or investments in highways and other public works are highly dependent on unreliable state and federal programs.

Let me briefly give you some examples of how cyclical fluctuations impact our industry:

- In determining site suitability the ability to accurately forecast long term market potential impacts determinations of transportation access investments for a site, the size of site and amount of reserves to be purchased as part of the initial land acquisition process including buffer zone considerations to adjoining properties. Also market forecasts will determine how much overburden can be economically removed before a commercially viable quarry can be developed.

- The production of aggregate by its very nature is a long-term industry. Issues such as rate of return comparisons to other investments, the size of plant to be established, whether new or used equipment should be purchased or alternatively whether a portable crushing plant should be employed instead of building a permanent facility are all part of capital cost considerations.

Up front costs to prospect, drill, and analyze the geology, test the suitability of the rock for construction purposes, permitting, zoning, and site preparations during construction of the plant require large capital expenditure over a period of years. In major metropolitan areas, costs associated with permitting and zoning total hundreds of thousands or even millions of dollars spread over five or more years. If a substantial investment in land purchase is added, the amount of money spent prior to making the first sale is usually in the millions of dollars. The higher risk associated with uncertain markets put quarrying investments at a disadvantage when they are compared to shorter more certain investments.

- Labor is the third and most important input influencing production. Labor is most important because the effective use of the other two factors depends completely on the skill of the labor force. In every aspect of the business, labor can make the difference between a highly profitable enterprise and one that is marginal or unprofitable.

  Layoffs carry the risk that skilled employees will find other suitable full-time employment. For our industry to invest in training and developing employees and to ask our employees to make a commitment in developing their careers as part of our operations, we need to be able to offer them jobs with a long term future for themselves and their families.

Providing full funding for each year's authorization level for ISTEA is the single most important thing Congress can do to address these issues. Full funding will provide a reliable and predictable source of funds and will encourage states and localities to develop their programs as well.

The Aggregate Industry's Role in Research

There is a need for the aggregates industry to support research into the basic properties of our materials and the proper application of these to design and construction. Aggregates are a vital natural resource which need to be available in each locality and which need to be used efficiently to minimize wasted sizes of crushed stone. Today, research in the uses of aggregates is essentially being done by others outside the industry. We are being told how they intend to use our products, often times not taking advantage of aggregates' inherent qualities. Specifiers are driving the train, without the requisite education and training in aggregates. Arbitrary limits are often imposed without sound technical basis.

Other segments of the construction industry are actively pursuing research into their products (asphalt, portland cement concrete, new geotextiles and recycled materials). However, their interest is not in the basic aggregate properties.

Leadership is needed from the aggregates industry for a commitment to scientific research and education on the basic properties and uses of our own products. By being proactive in education and research, we can take control of our future by demonstrating the superior performance of properly utilized aggregate products. Authoritative research and education of specifiers, contractors, and materials suppliers is needed.

NSA firmly believes in public-private-academic partnerships to develop and support research related to the aggregates industry. As part of our industry's commitment to this concept, we have joined with our sister-association, the National Aggregates Association, to create the Aggregates Foundation for Technology, Research, and Education. The Foundation has raised over $4 million from companies and individuals in our industry to fund research in the field. We have recently selected the University of Texas at Austin in cooperation with Texas A&M to be our research center which is known as ICAR--the International

Center for Aggregate Research. This consortium will manage and conduct the research program of the Foundation. Further, NSA has recently published The Aggregate Handbook. It is the product of 27 authors drawn from the academic and business communities. The Handbook's publication demonstrates how both sectors can work together to provide vital, authoritative information.

We are already beginning to see progress on research from the efforts in Texas. Dr. Joe Button, a research engineer with the Texas Transportation Institute at Texas A&M, is doing work in conjunction with ICAR on the use of large stone asphalt mixes. Large stone aggregates result in lower production cost for us and with proper mixes it improves pavement performance. Dr. Button notes in an article in the Center's first newsletter, Aggregate Views (see Attachment 1): "when mixture designs are right, the large stone mixes seem to make for roads that stand up to heavy truck loads and high pressure tires."

NSA is also actively reviewing the European experience in building more durable roads and road surfaces. Attachment 2 is a series of articles published in Stone Review, NSA's magazine on "Rutting and Shoving in Asphaltic Concrete Pavements." I would specifically like to highlight the sections dealing with Michigan Department of Transportation's (MDOT) experiments with Stone Mastic Asphalt (SMA). MDOT's program worked very well, however, they brought their aggregates several hundred miles to approximate the characteristics of European pavements. This resulted in a roughly 600% increase in aggregate costs. Clearly, we in industry need to work to develop methods to use local aggregate sources if the MDOT research is to result in cost effective results.

Future Federal Role in Transportation Infrastructure

NSA strongly supports a continuing federal role in meeting our nation's surface transportation infrastructure needs. The Intermodal Surface Transportation Efficiency Act--ISTEA--should provide the basic framework for meeting the federal responsibilities in this field and the National Highway System proposed in ISTEA should be the top federal priority within that structure.

Some thirty-five years after its inception, the National System of Interstate and Defense Highways is about to be declared complete. In one sense this statement is true. The construction of over 44,000 miles of highway will be finished and one of the greatest public works undertakings in history will have been accomplished. All those who worked on this enterprise deserve our thanks and admiration. However, the interstate system's mission in meeting our nation's mobility needs continues. The new National Highway System will provide the road network for interstate commerce that reflects the global marketplace of the 1990s and beyond.

When President Eisenhower began the system, it was based on his desire to provide the type of mobilization capabilities the Autobahn gave Germany. He recognized the important role the efficient movement of people and goods plays in securing our national well-being. The interstate highway network is the circulatory system that moves much of the life blood of our society and economy. Military defense remains an important aspect of the system's purpose. In the post Cold War era, we should recognize that the defense responsibilities of the interstate system have been expanded to include economic competitiveness as well as military preparedness. Our ability to win future economic conflicts will be significantly affected by the productivity of our transportation network. As Dr. David A. Aschauer (until recently at the Federal Reserve Bank of Chicago and currently Chairman of the Economic Department at Bates College) has pointed out, America's overall productivity grew along with our investment in infrastructure and our relative decline in competitiveness has coincided with our reduced commitment in this area. The construction and substantial completion of the Interstate System has demonstrated in a practical way the positive impact transportation investments have on economic growth, job creation and productivity.

Developing the National Highway System will continue this important federal contribution to building national economic growth and creating new jobs.

Where are we today? The answer is "*stuck in traffic.*" The National Council on Public Works Improvement stated it more formally when they noted, "We have worked through the cushion of excess capacity built into the earlier investments without making commensurate investments of our own." For example:

- More than 60 percent of the miles of paved highways in the U.S. need some form of surface rehabilitation. In 1988, the U.S. Department of Transportation classified 43 percent of the interstate system pavement as either fair or poor. Truck operating costs increase by 6.3 cents per mile when road conditions drop from "good" to "fair."

- Americans lose 1.25 billion hours a year in traffic congestion. The Union of Concerned Scientists estimate that two billion gallons of gasoline are wasted each year in traffic tie-ups. Currently, congestion costs the American economy between $10 billion and $30 billion per year. This figure could reach $50 billion a year in 2005 when highway congestion will triple as forecasted by the General Accounting Office.

- Traffic congestion imposes direct costs upon individuals by increasing personal travel time and vehicle operating costs in terms of fuel and motor oil consumption. For example, the California Chamber of Commerce estimated that traffic delays and rough roads costs motorists $135 per year in

> lost time and another $97 in fuel and maintenance costs. The Texas Transportation Institute estimated the 1986 per capita cost of congestion (user cost and additional fuel cost) at $330 without the added cost of higher insurance premiums associated with more congestion-related accidents, and $440 per capita including the insurance adjustments.

The Interstate System conceived in the 1950s was a magnificent achievement. Now we need to build an interstate mobility system for the 1990s and beyond. In addition, there is a large backlog of problems from the 1980s that we need to address. Building the national highway network that reflects our changing social, economic and physical arrangements has hardly begun. The suburbanization of the workplace and workforce, the emergence of two income households, the role of mass transit in metropolitan areas, and the need to better link different transportation modes to deal with trends such as the intermodal movement of goods and just in time inventory concepts are only some of the challenges for the interstate mobility system that we need to construct in the 1990s.

The mission of building a national transportation system to support a mobile and productive nation is what inspired President Eisenhower and Congress in 1956 to begin the National System of Interstate and Defense Highways. Today this same mobility mission goes on along with the federal responsibility in meeting it. The challenge of providing an interstate transportation network that fulfills the needs of a dynamic American society and economy endures as we enter the last decade of this century and prepare for the next. The national highway system is the best available tool to our generation in meeting the test of a global economy.

Summary and Conclusion

Mr. Chairman, NSA specifically recommends:

- Full funding ISTEA for FY 1994 and urges you to work to see that its multi-year commitment to funding our surface transportation needs are kept. To accomplish this mission we pledge our support in working with you and the authorizing committee to restore the 2.5

cents of the federal gasoline tax currently being used for deficit reduction to the Highway Trust Fund. The revenue stream to the Trust Fund must be strengthened if the total funding commitments of $155 billion for ISTEA are to be met.

- While our testimony today has focused on highways, we would also urge support for full funding for the Airport Improvement Program, the capital improvement program for AMTRAK, and the research budget within U.S. DOT.

Thank you for your consideration of our views and I would be happy to answer any questions.

Attachment 1

Large stone lowers production cost and improves pavement performance

Lower production cost. That's what the trend towards increased use of large stone asphalt mixtures for road construction means to the aggregates industry. As highway builders use more and more large stone in asphalt mixtures, aggregates producers can expect to spend less time crushing the product for the consumers.

But the benefits do not stop at the point of production. In a project for the National Cooperative Highway Research Program (a program of the Transportation Research Board and the National Research Council), CAR researchers are investigating the comparative merits of large stone mixes as opposed to conventional mixes without large stone, and developing a long-awaited mixture design procedure.

"We've known since the turn of the century that large stone mixes made for stronger roads," Button said. "But patents prevented wide use of such mixes in the infancy of this industry. Therefore, standard mixture design methods and evaluation procedures were developed around small test specimens which are unsuitable for use with large stone mixes. Now, we're developing a large-stone mix design that makes for durable roads and cuts the cost of aggregates production at the same time."

Pavement core samples aid in research.

During the first phase of the study, a team led by Joe Button, a research engineer with the Texas Transportation Institute at Texas A&M, surveyed every state in the nation to see what mix designs are being used.

"When mixture designs are right," Button says, "the large stone mixes seem to make for roads that stand up to heavy truck loads and high tire pressures."

During the next phase of the study, Button and his associates will begin work on developing such mixes.

"Our goal is to develop mixture design and testing procedures for large stone mixes," Button says. "Right now, large stone mixes are often thrown together using a lot of guesswork and it shows in the performance of the resulting roads."

Attachment 2

More Crushed Stone Solutions

Rutting and Shoving
in
Asphaltic Concrete Pavements

New Asphalt Mix Design

100 Percent Crushed Aggregates

High Quality Aggregates

Reprinted by the National Stone Association, 1415 Elliot Place, NW, Washington, DC 20007—December 1991

EDITORIAL

U.S. Should Pursue Application of European Paving Technologies

by Wayne Muri, P.E.
Chief Engineer,
Missouri Highway and
Transportation Department

Ed. Note: Late last year, a group of U.S. transportation officials spent a 14-day tour of Europe studying the latest in asphalt paving technology to see if it could be applied in the United States. The six-country tour was sponsored by the Federal Highway Administration (FHWA) and the National Asphalt Pavement Association (NAPA). The author, who was chairman of the 1990 Transportation Research Board Executive Committee, was one of the tour participants.

In the application of European methods to the engineering arena in this country, I believe that the United States would do well to pursue several technical areas through the FHWA, the states, the contractors, and the public. These areas include heavy-duty pavements, rut-testing devices, and porous asphalts.

Heavy-Duty Pavements

Europeans build heavy-duty pavements that are made with a mix called stone mastic asphalt (SMA). SMA pavements were invented in Germany in the mid-1960s under the name of Splittmastix. Like pavements built by the Romans long ago, these pavements are built using a stone-on-stone concept. The aggregate does not swim around in asphalt and sand.

SMA contains discontinuous or gapgraded crushed stone aggregate with approximately 80 percent plus No. 10 material. SMA is not necessarily the large-stone mixture being investigated by many states. The maximum size aggregate used in SMA is about 5/8 inch; 1/2-inch aggregate is common. The mix has a relatively high binder content of 6.5 to 7.5 percent. To achieve stability of the binder and to prevent it from draining off the aggregate, the bitumen is modified with mineral or cellulose fibers or rubber powder.

Using SMA helps stop pavement rutting and increases pavement durability. Thus Europe's heavy-duty pavements are able to handle the high volume of truck traffic and heavier truck weights. Within the United States, the FHWA could promote SMA research by cooperating with the states for field trials. NAPA is another organization that could undertake this research, analyzing the technical data and including European field information.

Rut-Testing Devices

When the Missouri Highway and Transportation Department handles an asphalt-mixture project, field inspectors and central laboratory personnel check the asphalt cement, the aggregate, and the mix itself before it is approved for the road. This practice is common in most states, but not in Europe, where performance is measured instead of materials. It does make sense to test material by the desired performance, as well as for what it is.

To this end, Europeans perform extensive rut testing of asphalt pavements. For example, we visited the Laboratoire Central des Ponts et Chaussees in France, where sophisticated wheel-tracking equipment is used to test for rutting and other pavement fatigue.

Some areas in the United States are moving in this direction. Georgia's Department of Transportation is currently evaluating rut-testing devices, and the FHWA has provided demonstration funds to four states with plans to provide funds to four more for this purpose. In its Indiana laboratory, Elf Asphalt has installed a rut-testing device that is similar to the one in France, but less expensive.

SHRP, too, is evaluating performance-related asphalt test equipment. In the future, FHWA laboratories could be equipped with rut-testing equipment, and FHWA could encourage more state evaluations of rut testing.

Porous Asphalt

With the European community's sensitivity to the public's needs, it is not surprising to find many European pavements made with porous asphalts, because this material contributes to noise reduction. However, porous asphalts also produce better friction and less hydroplaning, characteristics that would be appreciated by the U.S. traveling public.

The porous asphalt used in France and other European countries is similar to the open-graded friction course used in the United States. European porous asphalts are gap-graded mixes with 20 to 25 percent air voids and a maximum 1/2-inch aggregate. Generally, modified binders such as polymers, rubber, or fibers are used to increase durability.

I believe it could benefit the United States to consider using porous asphalts. To move in this direction, I recommend that a study be conducted to relate Europe's use of this material to our use of open-graded friction courses. The states could then undertake experimental porous asphalt pavement projects.

Other Technical Points

Other technical advantages of Europe's transportation system should be noted. For example, most European countries build pavements to last 40 years, not 20, as is the custom in the United States. Pavements in Europe that we in the United States would describe as relatively good are resurfaced before any extensive pavement deterioration occurs. This decision is based on structural rather than visual factors. Europeans make good pavements better—not poor pavements good.

Another practice that produces better pavements in Europe is the building of adequate subgrades and bases. Pavements are never designed to compensate for a poor base. Bases and subgrades are structurally sound and adequately drained before any asphalt is laid.

These practices are expensive, but the European countries have considered the costs and decided they are worthwhile. When these practices and the resulting pavements are compared with those in the United States, it is clear that the lack of investment actually encourages the deteriorating condition of pavements in this country.

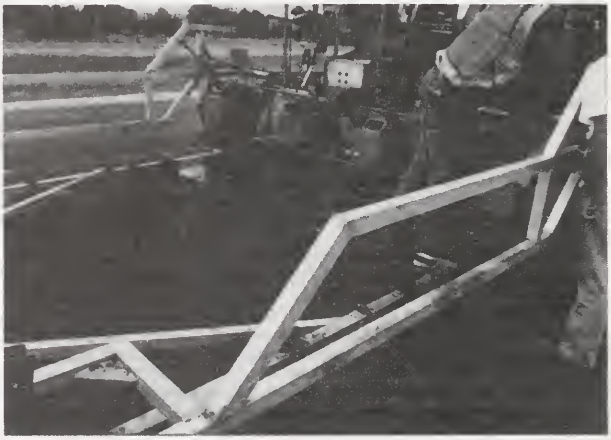
Conclusion

The 14-day trip to study European asphalt pavement technology humbled me; it was a productive but sobering experience. I am now convinced that we can learn lessons from traveling to see how the rest of the world does business.

Our European hosts were gracious and welcoming, demonstrating to us that the European community not only has advanced technology, but also has advanced methods to quickly put the technology into practice.

The time has come to incorporate proven European methods into this country's advances. The U.S. public should not and will not tolerate a situation in which its money is being used for anything but the best possible products, especially those as essential as pavements. ☐

This article excerpted from "Paving the Way," which appeared in TR News, *May-June 1991 issue. Reprinted by permission of Transportation Research Board, National Research Council.*



Placement of a 1-1/4" binder course on a test strip located on I-94 outside Milwaukee. Several different mixes were placed over the 1.5-mile test section, located in a right-hand (truck) lane. This particular mix included 5.7 percent binder, of which 93 percent was asphalt and 7 percent a plastic modifier. Air voids were 6.85 percent. Photo courtesy of Jim Warren, NAPA.

Stone Mastic Asphalt: A Potential Rutting Solution

by Charlie Pryor, P.E.
NSA Vice President-Engineering

An asphalt mix that gives better durability, better stability, higher resistance to fatigue and aging, better workability, and is less sensitive to poor quality construction practices? Not likely you say. But stone mastic asphalt (SMA) convinced the skeptics in the European asphalt study tour group (see preceding article).

Stone mastic asphalt (a.k.a. Splittmastix asphalt, grit mastic asphalt, stone matrix asphalt) was developed in the 1960s as a surface course to resist the damage being done to German roads by studded winter tires. Not only did it resist the wear, it also demonstrated resistance to rutting and shoving.

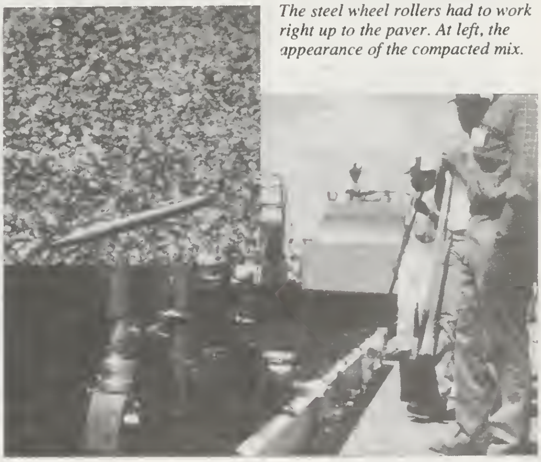
Even though all European countries but one have outlawed studded tires, SMA continues to be used because of its proven strength and durability. One of the main reasons is that European traffic places heavy demands on pavements. For instance, on the German autobahn system, the average daily traffic is 39,000 vehicles per day, with 20 percent truck traffic and 25,000 lb. allowable single axle loads (31,000 in France).

To see if the technology is applicable to American materials, equipment and procedures, the Federal Highway Administration (FHWA) selected a section of highway near Lansing, Michigan as the demonstration site to test the feasibility of using SMA in the U.S.

SMA is a gap graded asphalt concrete mix that derives strength from stone to stone contact and stability of the asphalt-aggregate mix by the addition of cellulose fibers. The asphalt is a low penetration grade, modified with cellulose to prevent the asphalt-fine aggregate filler from "draining" off the coarse aggregate during production and construction. Mineral wool is sometimes used, but very seldom are polymers.

The asphalt content of SMA typically is in the 6.5 to 7.5 percent range. This gives a dust-to-asphalt ratio higher than the 1.2 percent value recommended by the FHWA in their 1988 Technical Advisory on Design of Asphalt Pavements (*Stone Review*, October 1988).

A key element in the success of SMA is high quality coarse aggregate



The steel wheel rollers had to work right up to the paver. At left, the appearance of the compacted mix.

providing stone-to-stone contact, which develops internal friction and resistance to shear. The coarse aggregate is typically 100 percent crushed stone with a top size of 3/4 to 1/2 in. The grading is not a large top size in the normal sense. However, 70 to 80 percent of the coarse aggregate, by weight, is retained on the #10 sieve, giving a large percentage of the larger size stone.

The percentage of fine aggregate is noticeably less than U.S. mixes, accounting for approximately 15 percent of the aggregate weight. The value of manufactured sand as the fine fraction of normal asphalt cement is well documented, and the same applies for SMA. Filler material accounts for the remainder.

The surface of the compacted mix appears very similar to normal open-graded or "popcorn" mixes, with a heavy asphalt film on the surface aggregate. However, because of the high mastic content and low voids (three percent theoretical), the SMA does not drain vertically.

The low voids content also contributes to protection of underlying pavement layers from moisture-induced distresses as well as to improved durability. German engineers report a 30 percent increase in life.

The rough surface macro-texture apparently gives excellent anti-skid and anti-hydroplaning properties despite the asphalt film on the surface of the exposed aggregate. This film is worn away under normal traffic; however, if increased skid resistance is desired until this is accomplished, a dusting of sand can be rolled into the finished surface.

Europeans use select, high-quality materials in SMA. They are willing to pay the higher costs up front for the longevity obtained. It is estimated that SMA costs up to 30 percent more than conventional mixes, although this might be reduced in the U.S. to 20-25 percent. It is estimated that service life of the pavement is 25 percent longer than one made with conventional materials.

The FHWA demonstration near Lansing, hosted by the Michigan DOT, was held August 6-7, 1991, and was attended by over 300 people. The project consists of a four-mile section of Route 52, and is divided into sections of SMA, a MDOT standard dense-graded mix and a MDOT rut-resistant mix. Each mix is produced using a batch plant and a drum plant.

European practice is heavily weighted to batch plants, whereas Michigan uses drum plants extensively. The comparison will give a good perspective for U.S. production techniques. The project consisted of milling off 1.5 inches of existing wearing surface and then overlaying with the same amount of the three mixes. The SMA mix data is shown in the chart below.

The aggregate was 100 percent crushed stone from Michigan's Upper Peninsula, shipped over 300 miles to the plant sites near Lansing. The source was chosen to represent, as closely as possible, the stone used in Europe. While it was basically high-quality granite, one fraction had to be re-processed to correct a problem with too many flat and elongated particles.

Cubical particle shape is important to insure the stone-to-stone skeleton for SMA. This is not provided with slabby particles, and as was stated earlier, high quality materials are essential to the success with SMA. Quality control will be essential for contracting teams involved in this type of paving operation.

At the drum plant, eight cold feeds were used, while four hoppers were used at the batch plant. It is not uncommon for European contractors to use 12 feeds at their batch plants. Because the mix is sensitive to gradation, the drum plant had to pay particular attention to the speed and mixing time. Initially, there was a segregation problem, but that was eliminated by fine-tuning the operation.

The material handled very well using conventional paving equipment. It was found that the temperature of the mix at delivery had to be above 300°F, and the steel wheel rollers needed to work right up to the paver.

The material compacted well, with no shoving. Compaction, as measured by the nuclear density gage, was consistently 98 percent of target, achieved within 10 minutes.

The paving speed was 10 to 15 feet per minute, being governed by the rollers and compaction. The contractor used a tapered longitudinal joint (about one foot per inch of thickness) between the lanes and the compaction was excellent. It was almost impossible to distinguish the joint surfaces in a core taken at the site.

SMA appears to offer the pavement engineer another tool to combat widespread rutting problems. The Michigan project, along with test sections in Wisconsin and Georgia, should give American engineers valuable insight into SMA's applicability. ☐

MATERIALS
Aggregate: 100% crushed
(98.9% igneous, 1.1% sandstone)
Asphalt Cement: AC-20
Cellulose Fiber: 0.3%

MIX DATA
Asphalt @ optimum: 6.5%
Field Control Density: 151.1 pcf
SpGr: 2.42
% Air Voids: 3.0
Stability: 1074
Flow: 8.7
VMA: 18.2

GRADATION

% Passing	Job Mix	Range
3/4 in.	100.0	100
1/2 in.	94.1	90-100
3/8 in.	72.9	54-80
No. 4	36.1	30-45
No. 8	24.6	20-30
No. 16	19.2	16-26
No. 30	15.9	13-26
No. 50	13.8	10-22
No. 100	12.3	9-19
No. 200	10.4	8-13

Asphalt-mix Technology Puts Emphasis on Aggregate

Trends in development of non-rutting asphalt pavements provide challenges to aggregate producers to meet demands

By Bob Drake
Editor

European asphalt-paving technology debuted in the United States this summer. Demonstration projects in Wisconsin, Georgia and Michigan gave contractors, highway engineers and aggregate producers a view of changes ahead—if tests are successful.

Used successfully for years in Europe, Stone Mastic Asphalt (SMA)—also called Split Mastic Asphalt—significantly reduces rutting in surface courses of asphalt pavement.

SMA uses a large proportion of a one-size, high-quality, coarse, crushed aggregate. In addition, it has a high content (6 to 7 percent) of a high-viscosity asphalt cement, a high proportion of aggregate filler, and about 0.3 percent (by volume) cellulose fibers as a stabilizing additive to provide a thick coating on the aggregate.

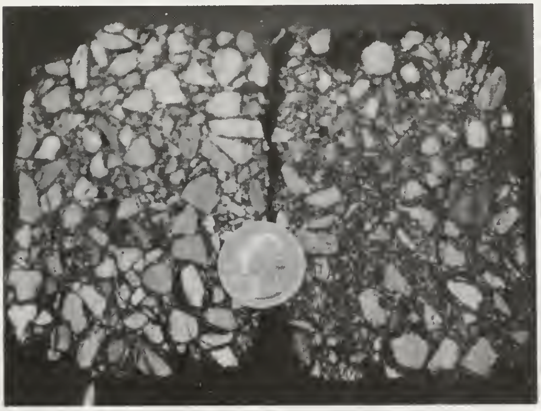


Figure 1—Asphalt cores show the greater proportion of coarse aggregate and stone-on-stone contact of SMA (left) as compared to a more dense-graded, special MDOT rut-resistant mix called 4C (right).

A gap-graded aggregate mix with a fairly coarse top size (60 to 70 percent retained on the #4 sieve) provides a strong, stone-on-stone skeleton when properly compacted (Figures 1 and 2). The coarse aggregate is 98 to 100 percent crushed, providing better contacts for transferring loads between stones.

Advantages at a Price

According to the Michigan Department of Transportation (MDOT), the SMA mix, properly placed and compacted, provides:

- good wear resistance;
- improved low-temperature performance;
- improved aging properties;
- improved skid resistance;
- increased service life; and
- a range of pavement applications.

But, these advantages don't come

without a price. SMA costs about 20 to 30 percent more than a conventional dense-graded surface course, according to highway officials and contractors involved with the Michigan demonstration project.

Higher costs can be attributed to several factors:

- use of high-quality material (cellulose fibers, AC-20 asphalt cement and hard, durable crushed aggregate) that have higher production costs.
- requirements for higher production temperatures and longer mixing times due to the coarse aggregate gradation and use of asphalt modifiers.
- slower paving rates (almost half the normal rate in the Michigan demo).
- more intensive quality control at the asphalt plant and on the paving job.

SMA appears to be most cost effective when used as a wear a surface layer, according to John Bukowski, an engineer in materials research for the Federal Highway Administration. But some states are looking at using it for a binder layer. It is probably too expensive to use in a base layer, Bukowski said.

Paving demonstrations in Wisconsin and Michigan used SMA as a surface course on interstate and state highways, respectively. The Georgia project involves SMA as a binder and surface layer on a major interstate.

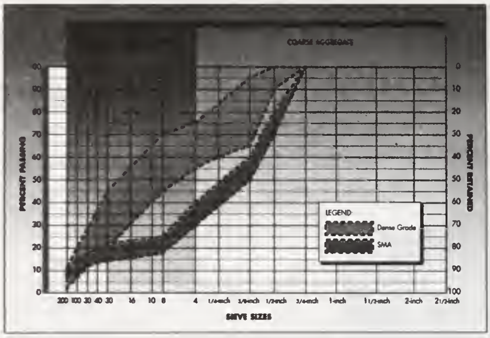


Figure 2—Particle-size distribution comparing a dense-graded asphalt mix with the gap-graded SMA mix.

7r

Michigan's Mix

The MDOT experiment with SMA involved paving several sections of a rural state highway and two interstate entrance/exit ramps east of Lansing. The Spartan Asphalt Paving Division of Thompson McCully Co. provided use of a drum-type asphalt plant as well as the paving crews and equipment. Capitol Excavating & Paving provided use of a batch-type asphalt plant.

Use of several asphalt mixes will give a comparative evaluation of SMA (Table 1).

Asphalt mixes included:

- typical dense grade (MDOT 20AAA) containing a locally obtained crushed gravel as the coarse aggregate;
- special rut-resistant dense grade (MDOT 4C) also containing local crushed gravel;
- "Spartan SMA" mix using local crushed gravel; and
- SMA mix using a hard, durable crushed gravel from the Upper Peninsula of Michigan comprised mostly of granite.

The locally-obtained aggregate was supplied by Searles Construction. Schimella-Mottes supplied gravel from the Upper Peninsula. The National Lime and Stone Company supplied lime dust.

ASPHALT MIX	[illegible]
MDOT 20A	[illegible]
MDOT 4C	[illegible]
Spartan	[illegible]
SMA	[illegible]

8a

Table 1—Coarse aggregate composition and the proportion of aggregates used in mixes included in MDOT's demonstration project. All coarse aggregate is crushed gravel.

Initial SMA mix design used in the Michigan demonstration project contained four aggregate fractions: 5/8" to 1/2", 1/2" to 3/8", 3/8" to #8, and minus 8. After further tests, the minus #8 fraction was eliminated from the final mix design.

Aggregate Performance

MDOT went to the extra expense of trucking aggregate several hundred miles—an extra $30 per ton—to more closely approximate aggregate composition and characteristics found in European pavements. But, how will SMA perform nationally using local sources of aggregate?

"Research is necessary in various areas so that you can evaluate this mix with the aggregate that's in that area," said Charles Pryor, vice president-engineering, National Stone Association, after observing the Michigan demonstration. "You're not going to be around the country shipping in aggregate from 500 miles away like they did for this. You have to use the aggregate you have."

"Performance of any type of mix depends a great deal on the quality of aggregate," said Pryor. "When you have good, high-quality crushed stone where you get particle-to-particle friction, it's going to perform well."

David Jahn, technical services manager, American Aggregates, also wants to see further testing of other types of aggregate.

"We're also sand and gravel producers," Jahn said. "With some of the new equipment in our lab, we would want to try it with 100 percent crushed stone and with a crushed sand and gravel and see what the difference is."

Crushed sand and gravel has crushed faces but also has smooth faces that can reduce friction between particles.

"You can go from sands that are just like ball bearings to the other extreme, where you have stone that is flat and elongated," Pryor said. "Neither of those extremes is what you want in a mix. It's the middle, where you have good angular particles—either natural or crushed—where you get the particle-to-particle friction and the load being transmitted through the stone rather than the glue."

Researchers at the National Center for Asphalt Technology (NCAT) concluded in a 1990 study on rutting for the Pennsylvania DOT that at least 85 percent coarse-aggregate particles (retained on #4 sieve) should have two or more fractured faces. NCAT also recommended using at least 75 percent manufactured sand, 100 percent if possible.

In a separate study, the U.S. Army Corps of Engineers concluded that "all laboratory test results indicated that asphalt concrete mixtures with all crushed aggregate had higher strength properties and would resist potential rutting better than mixtures containing natural sand materials. Asphalt concrete mixtures containing more than 20 percent natural sand appeared to have tremendous potential to deform under severe loads."

Domestic pavement research and imported technology point to greater demands in the future for crushed aggregate. This increased demand plus a move to coarser gradations for surface pavement layers could put a strain on aggregate supplies in some areas. Areas where sand and gravel deposits predominate over stone could be particularly vulnerable to shortages and significantly higher prices.

If SMA were to become widely used, Jahn said there could be shortages of #8 or #89 stone. The problem could be acute where sand and gravel deposits lack sufficent gravel of a size large enough to crush for the coarse fractions and for manufactured sand.

"This continues to place demands on the entire industry for quality control, quality products and proper application of those to various conditions," Pryor said.

It also demands pit and quarry operators remain aware of the latest research.

"We're very interested in this kind of research and are participating because we want to be in position in the future to be able to supply the aggregates demanded in the marketplace," Jahn said, "The more we learn about research projects, the more that tells us what's coming in the future."

The European Connection

Demonstration projects in the United States using SMA are the result of the European Asphalt Study Tour (EAST) in September 1990. The 14-day tour of Denmark, France, Germany, Italy, Sweden and the United Kingdom by 21 state and federal highway officials, association representatives and asphalt contractors found innovative paving technology that seemed to eliminate many problems plaguing U.S. highways. SMA is one of several innovations observed.

Copies of the EAST report are available for $5.00 plus $1.50 postage and handling for single copies from AASHTO, 444 North Capitol Street, NW, Suite 225, Washington, D.C. 20001, phone 202-624-5800. ☐

Mr. CARR. Thank you Mr. Mellott.

Mr. Kelleher, glad to see you. I guess I don't have a question so much as I have a comment that the ISTEA authorized level is a politically derived number. It may or may not have anything to do with how much money we have.

Is the association aware of that?

Mr. KELLEHER. Yes, we are, Mr. Chairman. The reason we put that number in and continue to support it is, if you look at the legislative history for ISTEA, certainly the numbers coming up from that were based on the best available needs data out there. But I think consistent with our statement on full funding for ISTEA is also our commitment to work towards restoration of the 2.5 cents, for example, into the highway trust fund.

We, like you, believe that ultimately the money you have to spend is going to be based on the revenue stream coming into the highway trust fund. We see a commitment to that as part of that effort.

Mr. CARR. Well, I thank you for that comment. With all due respect to the authorization committee, unless we have revenues that enable us to meet those objectives, the politically derived ISTEA authorization level is largely a——

Mr. KELLEHER. A wish list.

Mr. CARR [continuing]. A wish list, right. And I dare say the needs of the country are probably in excess of that. So needs are somewhat immaterial. The authorization level is somewhat immaterial, unless we have a revenue stream for the trust funds that is sufficient to do either one or the other two.

As you know, the General Accounting Office tells us that there is a high degree of expectation that we won't have enough money to fully fund ISTEA through the entire authorization cycle; and while it is encouraging that the administration is going to put 2.5 cents back in, they are not going to do it until well over a year from now; and then, at that, they are talking about taking a half-cent and putting it into transit, and then admitting that in 1997, 1998, 1999 time frames, there might be—the highway trust fund may be so low that it might have to borrow from the transit fund. And this is all before we see what the effect of the Btu tax is going to be, and now we learn that the administration is intending to exempt alternative fuels, like ethanol and methanol from the Btu tax, as well as from the highway user fee. That is a very powerful incentive which may further depress the revenues we have.

So I certainly hope that your testimony has full funding of ISTEA, provided the revenues are there; and I further would suggest to you that probably what is more important than full funding is steady funding so that we don't get into feast-and-famine kinds of cycles, which you already testified to.

Mr. MELLOTT. Exactly.

Mr. KELLEHER. Mr. Chairman, I think that is one of the reasons we prepared this testimony; and again, as you know, next month your comments will appear in our magazine. And we believe, with you, that reliable and predictable is very important, and in fact, costs the public by not doing it are at a quarter of a billion to $325 million each year in the cost to our product.

One of Mr. Wolf's constituents out in Centreville, Luck Stone, he can go and take a look at mountains of stone that we have taken up out of the ground and stockpiled simply to hold onto good employees, but it was done with an anticipation of other construction projects. And we like the ISTEA number because we think it can be somewhat justified, but like you, we would like to see a steady funding stream.

Mr. CARR. And if you couldn't have both, what would you rather have, steady or full funding in any one year?

Mr. MELLOTT. Steady.

Mr. CARR. Thank you.

Mr. Wolf.

Mr. WOLF. I have nothing.

Mr. CARR. Thank you.

Mr. MELLOTT. Thank you, Mr. Chairman.

MONDAY, MARCH 29, 1993.

TRI-COUNTY COMMUTER RAIL AUTHORITY

WITNESSES

HON. CLAY SHAW, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

ALLEN C. HARPER, CHAIRMAN, BOARD OF DIRECTORS, TRI-COUNTY COMMUTER RAIL AUTHORITY, FORT LAUDERDALE, FLORIDA

GILBERT M. ROBERT, EXECUTIVE DIRECTOR, TRI-COUNTY COMMUTER RAIL AUTHORITY

Mr. CARR. My good friend from Florida, Congressman Clay Shaw. I call upon him to introduce a couple of other good friends of mine.

Mr. SHAW. Mr. Chairman, Mr. Wolf, good afternoon. I am pleased this afternoon to come before you and thank you for your past support of Tri-Rail in south Florida and to introduce Mr. Allen Harper, whom I believe some of you may know, Chairman of the Tri-County Commuter Rail Authority. Also the brother of Ed Harper, who I know that both you and Mr. Wolf are friendly with; and Mr. Gilbert M. Robert, Executive Director. Tri-Rail is a commuter rail system serving the needs of all the people from Palm Beach County to Broward County to Dade County along a 67-mile corridor.

I have come before my esteemed colleagues to ask for your support for this project. Since the last appearance, Tri-Rail's ridership has increased by 20 percent. It respond immediately by serving the needs of our citizens who continue to suffer from the catastrophe of Hurricane Andrew, as they were forced to live 20 or more miles away from where they work or send their children to school. I mention these two facts to illustrate that Tri-Rail is the only transportation which is regional in nature in the State of Florida.

From a State perspective, Tri-Rail is a model for those of us who are concerned about environmental automobile pollution. Within two years of its opening, a study undertaken by the University of South Florida's Center for Urban Transportation Research showed that the use of Tri-Rail was motivating people to abandon their cars and to become transit users. Specifically, 50 percent of those surveyed said they owned two or more cars but chose Tri-Rail rather than use their automobile because of Tri-Rail's convenience.

I congratulate you, Mr. Chairman, on your challenging position. I would ask you and your colleagues on this committee to support this important project. I know you have been down into this area and, as I believe Mr. Wolf has, you have probably seen these green trains going up and down the corridor.

Mr. CARR. Last night.

Mr. SHAW. It has been really a wonderful reliever for us, gives an alternative to the automobile.

As you know, south Florida has a pollution level which is requiring some of the automobiles to be inspected; and this certainly presents us with one of the mass transportation systems that is really working in south Florida.

Mr. Chairman and Mr. Wolf, with your permission, I will ask Mr. Allen Harper to begin his testimony.

Mr. CARR. And before you do that, I want to note that we also have a statement from our good friend and colleague, Congressman Harry Johnston that we would like to include in the record as well.

[The prepared statement of the Hon. Johnston follows:]

HARRY JOHNSTON
CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-0919

March 25, 1993

Chairman Bob Carr
Subcommittee on Transportation
Committee on Appropriations
2358 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

I regret that I am not able to appear before you personally on behalf of the Tri-County Commuter Rail Authority. I am, however, pleased to submit this letter of support for Tri-Rail, the nation's first new commuter rail system in two decades and the backbone of South Florida's transportation network.

Since its inception in 1989, Tri-Rail has been a model for creative and cost-effective solutions to urban transportation problems. The 67-mile system incorporates multi-modal connections to three international airports, three county bus systems, the Miami Metrorail, and various private jitneys, taxis, busses, and water taxis. Ridership has increased each year and is now at over 11,000 per day, ranging from students on their way to school to tourists arriving from the airports.

Three particular ridership groups demonstrate the variety of ways South Florida depends upon Tri-Rail. First, it is a primary mode of transportation for South Florida's large senior citizen population and is often their only link to distant medical care and other health services. Needless to say, Tri-Rail also enables senior citizens to broaden their lifestyles, benefitting themselves and the greater community. Second, ridership has increased 20 percent since Hurricane Andrew struck the region, as many victims who were forced to move as far north as my own district continue to travel back to South Miami each day for work and school. Lastly, recent research shows that a majority of Tri-Rail's riders own two or more cars in their families. This finding demonstrates Tri-Rail's ability to draw traffic away from South Florida's congested highways and suggests great potential for future growth.

Mr. Chairman and members of the committee, providing safe and efficient transportation for the citizens of this country

19TH DISTRICT, FLORIDA
MAJORITY WHIP-AT-LARGE
CHIEF OF STAFF
SUZANNE STOLL
DISTRICT ADMINISTRATOR
DIANE BIRNBAUM

COMMITTEES
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1501 CORPORATE DRIVE
SUITE 250
BOYNTON BEACH, FL 33426
407-732-4000
305-428-4888

will require innovation and creative solutions. I appreciate your continuing support for Tri-Rail as just such a solution.

With warm regards,

Sincerely,

HARRY JOHNSTON, M.C.

HJ:df

Mr. SHAW. Mr. Chairman, Mr. Johnston, as well as the rest of the south Florida delegation, has been very supportive of this project and has worked hard to bring this—keep this unique project in place.

Mr. CARR. Mr. Harper, good to see you again.

Mr. HARPER. Nice to see you, and I really appreciate you, Mr. Chairman, and the committee allowing us to come and be before you again and for your past support.

I don't think I need to go into a lot of detail as to what Tri-Rail really is. You all understand it is currently a 67-mile system.

We in south Florida are really in a geographic position where we have a large population caught between an ocean and an Everglades swamp, both very sensitive to what is possible for transportation means and modes. In effect, we are an intermodal system that connects the three major airports in Dade, Broward and Palm Beach Counties, and we tie directly into the metrorail and the people mover system in Miami.

Florida is the fourth fastest growing State in the Union. We have a growth rate of a thousand people a day. To meet these kinds of needs, we have to constantly be improving our transportation systems, and yet in south Florida, there is no additional capacity for roads.

Basically, Tri-Rail is on a single line, single-rail system that the State of Florida bought; and it is only able to service Tri-Rail while at the same time servicing Amtrak and the CSX freight system. We run 30 trains a day, Monday through Friday. We do 18 trains on Saturday and 10 trains on Sunday.

On the weekdays in our a.m. and p.m. peak hours, we are at total capacity because of the single-rail system, and we don't have any way to add additional capacity. What we are requesting now is the funds for improvements to add double tracking and additional sitings so that we can meet the existing demand.

As you know from the hurricane, we had displaced people that had moved as far as 50 miles from where they originally lived and are still living and working in the south Florida area, and Tri-Rail has become the backbone of the system for moving people. And we really would appreciate and hope that we can count on your continued support, as you have always shown us in the past.

I think one of the main themes that we are seeing—certainly from you, Mr. Chairman, and I also believe from the new administration—is that the money that government spends is a good investment. I think in the case of Tri-Rail, you see us with a growth rate of 20 percent a year and with a good return on the capital that you have already invested. Just as important, I think you all like to see commitment from us. And the commitment from us is very unique in the sense that we are a State-created authority that actually has three counties that used to never work together, working in total harmony; and we have put our money in place where we talk.

The State committed $264 million to buy the line. We put $58 million into start-up costs, and we have a five-year, $9.8 million capital improvements program that we are all funding from our own resources. With that thought in mind, I will let Gil tell you more about the details.

But, again, thank you for your consideration.

Mr. CARR. Mr. Robert.

Mr. ROBERT. Let me clarify that. That was 91 million, not $9 million. Mr. Harper's background description of Tri-Rail's role in servicing more than 11,000 riders in south Florida each day really sets the stage for presenting to you that the Federal funds which you have provided have been and are being utilized.

It was not until fiscal year 1992 that we came before the committee seeking Federal funding. Our request was for a multiyear funding grant for double tracking, track rehabilitation, replacement of the signalization system and the relocation of a station closer to Miami Airport.

Although Tri-Rail is a new commuter rail system, the rehabilitation of the rail corridor is necessitated by its age and former use for more than 50 years as an exclusive freight rail corridor. Our consultants, in conjunction with Florida DOT, have prepared a master plan outlining the needed improvements on the 67-mile corridor. The plan's conceptual design identified phases for the double-tracking effort and the new signalization and estimated the total project cost at $300 million. Again, I must emphasize this is a multiyear program.

In fiscal year 1992 Tri-Rail received $5,475,000 in FTA funds. TCRA, the DOT over-match was $21,450,000.

In fiscal year 1993, Tri-Rail was awarded $4,675,000 with an over-match of $25,200,000. With $56,800,000 already invested in this project today, Tri-Rail has begun making the improvements as outlined. This summer work will begin on double tracking and installing a new signal system on an 8.1-mile segment between Pompano and Fort Lauderdale. At the same time, Tri-Rail has successfully negotiated to purchase property at the Miami International Airport, and construction is set to begin in the spring of 1994 for track improvements to this new station.

Mr. Chairman and Members of the committee, we respectfully request $17,511,000 in Federal funding which will be over-matched by TCRA-Florida DOT funds in the amount of $50,800,000 or 24 percent to 74 percent, respectively, to continuing our work on this project. The funds we are seeking today will be used to replace the existing signal system and to install an additional track which will connect the existing double track and the rail right-of-way in the next phase of the overall project.

Upon completion of the total project, Tri-Rail will be able to increase its daily train schedule from the present 30 trains to 50 trains and will be able to reduce its headway times from one hour to one-half hour, thereby providing a service to a greater segment of the growing south Florida population.

This project will provide an estimated 5,000 jobs and will be ready for implementation immediately due to already completing the planning and engineering studies.

I want to thank you for the opportunity to testify before you. We hope that the committee will continue to support Tri-Rail. Thank you.

[The prepared statements of Mr. Harper and Mr. Robert follow:]

Tri-County
Commuter Rail Authority

Ken Adams
Board Member

Rick Chesser
Board Member

Charles Dusseau
Board Member

Allen C. Harper
Board Member

Ed Kennedy
Board Member

Terrance J. Mullin
Board Member

Lori Nance Parrish
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TESTIMONY OF

ALLEN C. HARPER, CHAIRMAN
TRI-COUNTY COMMUTER RAIL AUTHORITY

AND

GILBERT M. ROBERT, EXECUTIVE DIRECTOR
TRI-COUNTY COMMUTER RAIL AUTHORITY

BEFORE THE HOUSE TRANSPORTTION
SUBCOMMITTEE ON APPROPRIATIONS

MARCH 29, 1993

ALLEN C. HARPER, CHAIRMAN

TRI-COUNTY COMMUTER RAIL AUTHORITY

Mr. Chairman and members of the subcommittee, thank you for your generous support of the Tri-County Commuter Rail Authority and the opportunity to appear before you once again. My name is Allen Harper and I am Chairman of the Tri-County Commuter Rail Authority. Seated with me is Mr. Gilbert M. Robert, Executive Director of the Authority, who will also give brief remarks and answer any questions you might have.

Tri-County Commuter Rail Authority, spanning 67 miles among three counties in South Florida -- Dade, Broward and Palm Beach -- is the first commuter rail to be established in the United States in twenty years. Originally conceived as a maintenance of traffic alternative to reconstruction of I-95 in 1989, it is the only regional transportation system in the State of Florida. It connects to South Florida's three International Airports -- Miami, Broward and Palm Beach. Its intermodal system connects to the Metrorail and Metromover in Miami and county bus systems in Dade, Broward and Palm Beach; and in partnership with privately owned buses, trolleys and water taxis, Tri-Rail serves as the backbone of the system.

I would like to present a quick overview of the State of Florida which will provide a sense of the context in which Tri-Rail operates. Since 1970, the population of the State of Florida has doubled adding six million new residents, 1,000 persons per day, and 40 million tourists a year. As the fourth largest growing state in the nation, the need for alternative transportation choices becomes critical. Moreover, the State of Florida has in place the law of concurrency whereby development cannot occur unless there is an identified source of transportation options in place. In Dade County where ridership on Tri-Rail is high, use of private vehicles account for over 95 percent of the total travel. Since the devastation from Hurricane Andrew, thousands of people in South Dade who lost their homes and could not find affordable housing in Dade County were forced to move to the Broward County line some 50 miles away. Tri-Rail has and continues to serve the needs of this veritable army of dislocated people. Add to this portrait a new capacity of highways bordered by the Atlantic Ocean on the East and the Everglades on the West, the birth and development of Tri-Rail seemed a natural sequence by the State of Florida.

Tri-Rail operates along the CSX corridor from West Palm Beach to Miami on a single track with 11 passing sidings. Within this corridor, we operate 30 trains daily monday through Friday, 18 trains on Saturday and 10 on Sunday. Daily, Tri-Rail must compete with daily Amtrak trains and freight operations along this single track corridor. Further, because of the single track and limited sidings, Tri-Rail can only operate hourly service during peak periods which creates overcapacity problems during this critical period of travel time.

Originally designed for the exclusive use of freight operations, the signaling system along the CSX corridor was installed fifty years ago and has long been outdated. As a result of this antiquated signaling system and the varied use of the corridor which I have just described, Tri-Rail is required to reduce its speed and is unable to improve its service and offer shorter headways.

Notwithstanding these obstacles, the State of Florida has made a commitment to develop this corridor because of increasing gridlock, the arrival and settlement of impoverished immigrants fleeing their country who require transportation in order to work and the increasing number of transit dependent South Florida residents who can no longer drive or afford car insurance which is higher in South Florida than in most places in the United States. To that end, the State made a major financial commitment to Tri-Rail by purchasing the CSX corridor for $264 million; providing $58 million for capital start-up costs and station development; and $91 million in a five year capital improvement program.

I would now like to turn the presentation over to Mr. Robert who will describe the project for which we are seeking funding. Thank you.

GILBERT M. ROBERT, EXECUTIVE DIRECTOR
TRI-COUNTY COMMUTER RAIL AUTHORITY

Thank you, Mr. Harper, Mr. Chairman and members of the committee. Mr. Harper's background description of Tri-Rail's role in servicing more than 11,000 riders in South Florida each day sets the stage for presenting to you how the federal funds which you provided have been utilized.

It was not until FY '92 that we came before the committee seeking federal funding. Our request was for a multi-year funding grant for double tracking, track rehabilitation, replacement of the signalization system, and the relocation of a station closer to the Miami International Airport.

Although Tri-Rail is a new commuter rail system, the rehabilitation of the rail corridor is necessitated by its age and former use for more than 50 years as an exclusive freight railroad. Our consultants, in conjunction with the Florida Department of Transportation, have prepared a Southeast Florida Rail Corridor Double Tracking Master Plan, which outlines the needed improvements on the 67-mile corridor. The plan's conceptual design identified phases for the double tracking effort and the new signalization and estimated the total project cost at $300,000,000.

In fiscal year 1992, Tri-Rail received $5,475,000 in FTA funds. TCRA/FDOT overmatched this with $21,450,000. In FY '93, Tri-Rail was awarded $4,675,000 for which we overmatched $25,200,000.

With $56,800,000 already invested in this project to date, Tri-Rail has begun making the improvements as outlined. This Summer, work will begin on double tracking and installing a new signal system on an 8.1 mile segment between Pompano Beach and Fort Lauderdale. At the same time, Tri-Rail has successfully negotiated to purchase property at the Miami International Airport and construction is set to begin in Spring 1994 for the track improvements to this new station site.

Mr. Chairman and members of the committee, we respectfully request $17,511,000 in federal funding which will be overmatched by TCRA/FDOT funds in the amount of $50,800,000 or 24% to 74% respectfully, to continue our work on this project.

The funds we are seeking today will be used to replace the existing signal system and to install an additional track which will double track the rail right-of-way in the next phase of the overall project.

Upon completion of this project, Tri-Rail will be able to increase its daily train schedule from 30 trains to 50 trains and will be able to reduce its headway times from one hour to the half hour, thereby providing a service to a greater segment of the growing South Florida population. This project will provide an estimated 5,000 jobs in South Florida and will be ready for implementation immediately due to the already completed planning and engineering studies.

Thank you for the opportunity to testify before you. We hope that the committee will continue to support Tri-Rail, the only regional transportation system in the State of Florida. Thank you.

Mr. CARR. Thank you very much. You have done a good job down there.

Mr. SHAW. Mr. Chairman, excuse me. I failed to introduce Gloria Jacaruso, who is the director of marketing for the Tri-Rail.

Mr. CARR. Nice to see you.

Where is the airport station, the new airport station?

Mr. HARPER. The new airport station, if you are familiar—it is immediately at the entrance to the airport. If you are familiar with the Sheraton River House Hotel and the Hertz Car Rental agency across the street, our right-of-way bisects the Hertz Rental Car property.

We have negotiated a contract with Hertz, and I believe our first phase, or the first portion of that development will be about four-and-a-half acres with the new station there.

Mr. CARR. Was it ever discussed to actually get the rail onto the airport?

Mr. HARPER. Actually the State does own some of the rail that goes directly onto the airport. There is, in the planning process, a complete intermodal system, that the airport is taking the lead on, that would include a metro mover station, would include Amtrak, would include Tri-Rail and so forth.

Actually, our station is about in the exact location where this proposed intermodal system would be, and we are more or less the forerunner of the intermodal right at the airport.

Mr. CARR. And none of the money you are asking for today would be for that station?

Mr. HARPER. No, sir.

Mr. ROBERT. No. We received a grant in fiscal year 1992 for that, and we have the engineering under way, Mr. Chairman.

Mr. CARR. I see great possibilities for rail, commuter rail at airports as an interface.

Mr. SHAW. Particularly that airport, if you are familiar with it. It is a mess.

Mr. CARR. And I would hope you don't miss an opportunity. We have had—in the past some general discussion about this. But as we move closer toward actually putting some plans on paper, I think the committee would like to work more closely with you to ensure that there is the tightest possible interconnect.

All too often they put the train station in a remote area, and it discourages getting from one mode—you actually have to go through, if you count escalators, probably four or five modes to get to your plane, and it really discourages use.

Mr. HARPER. We are fortunate in this case that our right-of-way, in all of the sites that were chosen by the consultants for the intermodal location, have track access to them all. They are right there.

Mr. CARR. All of your crossings are at grade?

Mr. ROBERT. That is correct, the vast preponderance of them are.

Mr. CARR. Any concerns if, for no other reason than because of the accident that occurred between Amtrak and, I think it was, a tanker-truck of some kind?

Mr. ROBERT. Yes, very strong concerns; and that was on our right-of-way, Mr. Chairman, and we have a very thorough analysis under way right now. Tri-Rail does, DOT likewise, is in the process of doing an analysis. The dollars asked for in this plan would include grade crossing improvements; they do not include grade separation, Mr. Chairman.

Mr. CARR. Well, safety is a concern to us all, obviously. We need to——

Mr. HARPER. The preliminary results—unfortunately, it doesn't look like it was signalization or a problem with the track system. It looks like it was driver error from the very preliminary.

Mr. CARR. What road was that?

Mr. ROBERT. Cypress Creek Boulevard.

Mr. SHAW. Mr. Chairman, I went up and personally looked at it, and in my opinion—not being an expert in transportation, but having worked both in the courts as well as being a legislator and a mayor, they set up the crossing with a three-lane eastbound highway going into a detour which funneled the traffic into one lane. Unfortunately, they put the detour and the funneling of the traffic on the west side of the track with only about 50 yards to accomplish the merging of the traffic; and it appears—and I can't say with any great authority, but it would appear to me that that was the problem with other cars getting in front of this truck, and the trucker using bad judgment in figuring that he could make it through the detour without backing up seems to be the big problem.

But we are looking at high speed rail up and down Florida, and we are going to have to plan very definitely on fly-overs sometime in the future if we are going to have trains going at any great speeds through these populated areas.

Mr. CARR. Let's work it one mode at a time here.

Mr. SHAW. High speed rail has nothing to do with Tri-Rail.

Mr. CARR. Today, right. Now, is your alignment along——

Mr. ROBERT. Interstate 95.

Mr. CARR. But I mean, are you on—at or near Amtrak?

Mr. HARPER. They use our line. Same line.

Mr. CARR. They use the same.

Mr. HARPER. CSX freight, Amtrak and Tri-Rail all use the same line. That is one of the reasons we should be running at least half our headways and even more often. We can't do it because we only have a single track.

Mr. CARR. Okay, Mr. Wolf.

Mr. WOLF. Clay, welcome to the committee. I have been in that traffic. It is very, very heavy. I just wondered, with all those trains—you are going to have 50 trains, you said, and then the Amtrak train, and then a freight train—will this just keep people from going west to east, or east to west? Will there be periods of the day that you just can't get from one side of the track to the other track side?

Mr. ROBERT. We haven't experienced problems like that. The Amtrak frequency down there now with the—actually, by the end of this week it will go to six with the institution of the Sunset Limited, actually four trains daily, and the Sunset Limited will run every other day.

The CSX trains predominantly run in the evening hours. We try to segregate the traffic with CSX, but relative to highway congestion——

Mr. Wolf. Have you looked at that? I mean, going back and forth, particularly from 3:30 to 6:30 and 7:30, just getting to the train station will not be a problem?

Mr. Robert. We really haven't experienced any problems in regards to that, when you consider the cycle time for a train to get over the crossing is approximately 40 seconds.

Mr. Harper. I had an experience recently when I personally went out and timed stoplights and rail crossings for another matter we were undertaking. A typical signal is a 75 second cycle. Our trains will do between 40 and 45 seconds.

Mr. Wolf. Total time when the gate is down?

Mr. Harper. Between when the gate is down and up, 45 seconds. Compared to a red light, when you sit there on a road, which is about 75.

Mr. Wolf. So you equate this with a red light?

Mr. Harper. Less than a red light. In our area, about 1.2 passengers per car, if you look—if you relate that to what we get on a train in an intersection, whereas a typical 75-second cycle will put about 160 cars. Counting all four directions, we can run almost double of that number, the equivalent of that number running a train.

Mr. Wolf. I don't know that area that well, but I guess you are going to have to have at some point as you get up to 50, some kind of fly over, I would think, eventually.

Mr. Robert. We have all the direct interchanges, east-west thoroughfares, that connect with I–95, included in the transportation improvement plans, the unfunded sections for Palm Beach and Broward County. It is recognized as an important issue down there.

Mr. Wolf. I think you are going to have to. If you have 50 trains a day which are not spread throughout the day, they are probably concentrated in the morning and the evening.

The other question, we have had a problem with access to Metro at the airport. How close are the stops to the terminal enplanement area?

Mr. Robert. At all three airport stations, and we serve all three, we have dedicated buses that solely serve as Tri-rail passenger. At West Palm Beach, it is approximately two miles from the airport, presently. At Fort Lauderdale, likewise. When we relocate the Miami International Airport, it will be approximately one-half of a mile.

We picked that location because the airport is planning to develop into that area, and that would be the major transportation hub for the airport.

Mr. Wolf. Thank you very much. I have no further questions.

Mr. Carr. Has there been any discussions about hooking with Palm Beach Airport on the other end?

Mr. Harper. We have a station we are looking at currently right next to the Palm Beach Airport. The county has some plans. We are kind of waiting to see what they can do in Palm Beach County versus what we can do.

Mr. Carr. In that whole South Florida area, it would seem to make some fairly interesting connections to have Palm Beach Airport essentially connected to Miami Airport via tri-rail, with everything in between, enabling certain kinds of air passengers to start out at one airport, and maybe leave, you know, from another, or a variety of interesting, flexible options. If you were a visitor to Florida and you knew for whatever reason you had to leave out of Miami International, for example, but your business and your trip time or whatever, you needed to go to Palm Beach, it might make some sense to fly into Palm Beach and do your business and maybe if you are going to be there a while, rent your vehicle at the airport so you save drop charges and all kinds of other things. It would be an interesting flexible thing.

Now, the airport station is also an intermodal place where they are talking about this airport to seaport kind of thing, is that right?

Mr. Harper. Yes, sir, it is. We have had some early discussions with Amtrak, who is eager to move in with us.

[Response to the Hon. Wolf's, questions follow:]

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Commuter Rail Authority

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Board Member

Rick Chesser
Board Member

Charles Dusseau
Board Member

Allen C. Harper
Board Member

Ed Kennedy
Board Member

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QUESTIONS FOR PUBLIC WITNESSES
HOUSE TRANSPORTATION APPROPRIATIONS SUBCOMMITTEE

1. **What organization would be the recipient of the federal fund requested?**

   The Tri-County Commuter Rail Authority, an agency of the State of Florida which operates the 67-mile Tri-Rail system between West Palm Beach and Miami.

2. **How much money are you requesting from this subcommittee for FY 1994?**

   $17,511,000.

3. **What will these funds be used for?**

   The funds will be used for Phase 3 of a multi-year project to double track the state-owned rail corridor and install a new signal system along the 67-mile route that Tri-Rail operates and shares with Amtrak and CSX freight service.

4. **Are you requesting any funds for non-construction purposes? If yes, what would these funds be used for?**

   All funds will be used in the design and construction of this double tracking and signalization project.

5. **What impact does this project have on our national transportation network, or any other federal purpose, which would justify the request for funds from this subcommittee?**

   The double tracking and signalization project will allow Tri-Rail to operate more efficiently and will permit the commuter rail line to increase its operations from 30 to 50 trains daily and reduce headways from one hour to one-half hour. The project will improve rail safety by upgrading the existing 50-year-old signal system which has recently become even more unreliable due to damage resulting from Hurricane Andrew and the Amtrak/tanker accident. In addition, consideration is being taken to ensure the compatibility of these new capital projects with the needs of high speed rail as this state-owned corridor is part of the Tampa/Orlando/Miami designated high speed rail corridors. As the engineering and design work has been completed as part of the earlier phase of this project, this project will provide an estimated 5,000 jobs in South Florida and will be ready for implementation immediately.

6. **For FY 1993, what is the total amount of federal funds that this organization received, and what activities were funded by these amounts?**

   In FY 1993, Tri-Rail received $4,675,000. in FTA funds. These funds were overmatched with $25,200,000. of state funding for Phase 1 of this same double tracking and signalization project. Phase 1 of the project, between Pompano Beach and Fort Lauderdale, is scheduled for construction this summer.

7. **Has the project received federal funds in prior years? In what fiscal years were those funds received and in what amounts?**

   The double tracking and signalization project received $5,475,000. in FTA funds in FY 1992. TCRA/FDOT overmatched this with $21,450,000. The funds are being used for Phase 2 of the double tracking and signalization project. This project will improve the rail corridor so that TCRA/FDOT can extend service closer to the Miami International Airport. This project is currently under design.

8. **Will you be seeking additional funds from this subcommittee for this project in the future?**

Yes, Tri-Rail will be seeking additional funds for the double tracking and signalization project in future years as outlined:

1995 -- $40,488,739.
1996 -- $40,488,739.
1997 -- $21,600,000.
1998 -- $21,600,

9. **What is the total expected cost of the project? What percentage of the total cost of this project would be funded by the federal government?**

The total cost for the corridor acquisition, double tracking and signalization project is $497,333,478. Tri-Rail is requesting $152,663,478. in federal funding for the entire project. This funding arrangement will result in 69 percent of the total project funds to be in overmatch by TCRA/FDOT for a federal match of 31 percent.

10. **How much state, local, or private funds will be used for this project?**

As of FY 1993, TCRA/FDOT has committed over $475,000,000. to the total Tri-Rail project and have obligated $28,221,752 in FTA funds.

11. **Are you seeking funds this year from any other federal source, or any other appropriations subcommittee for this project, or for any other project?**

At this time, Tri-Rail has not applied for any other FTA Section 3 Discretionary funding for this project or any other project.

12. **If the project for which you are seeking federal funds from this subcommittee is a highway project, where does it rank on the state's priority list?**

Not Applicable.

13. **If the project is a transit project, does the general public in your area support the project?**

Tri-Rail service has been well received by the public in South Florida. Ridership has increased 185 percent since the start of service in 1989 and continues to increase monthly. Tri-Rail has seen a ridership increase of 20 percent since Hurricane Andrew due to the relocation of displaced families and businesses.

14. **Has there been any public financing mechanisms initiated at the state and/or local level to help fund this project (highway or transit), such as a dedicated gas tax increase or a bond referendum? If so, please provide the specifics, and, in the case of any proposed bonding authority, please indicate the results of placing this project before the public.**

The Florida State Legislature just this month passed legislation providing for funding of up to 50 percent of Tri-Rail's operating costs in perpetuity. This is a significant act as Tri-Rail was begun in 1989 as a maintenance of traffic alternative to highway construction and was anticipated to have a life span of five years.

Mr. Carr. Thank you. It is always nice to see you.

I would like to make a brief announcement. We have one more witness on the morning list, and here we are at 1:00, when the afternoon list is to begin.

After we have our next witness, I am going to, unless there is objection, recess the hearing for at least a 20-minute period of time. So those that are on the afternoon list might want to adjust themselves accordingly and not needlesly wait for the next 15 or 20 minutes.

Monday, March 29, 1993.

RAILWAY PROGRESS INSTITUTE (RPI)

WITNESS

DOUGLAS C. TRITES, PRESIDENT, UNIT RAIL ANCHOR COMPANY, AND CHAIRMAN, RPI COMMITTEE ON MAINTENANCE-OF-WAY

Mr. Carr. Our last witness of the morning list—and I appreciate his patience—Douglas Trites.

I have read your statement. I know you have waited patiently to testify. If you could summarize, I know you have a commitment to the Transportation Test Center, and to research and development funding. That is clear from your statement. If you could summarize your remarks, I would appreciate it.

Mr. Trites. I will be brief.

Good afternoon, Mr. Chairman, and members of the subcommittee. My name is Doug Trites and I am President of the Unit Rail Anchor Company. I am here as Chairman of the Railway Progress Institute Committee. We are suppliers to freight railroads, Amtrak, and the nation's commuter and rail transit systems.

I testified before the subcommittee last year and I welcome this opportunity to appear before you today to discuss the rail transportation needs of our country.

First, I express to you the appreciation of our association's members and staff for the courteous attention we have always received at this subcommittee's hearings. We deeply appreciate the bipartisan support you have given to virtually every funding initiative we have proposed. Year after year you have supported rail passenger transportation, and we look forward to continuing a good working relationship.

Your continued recognition of the importance of freight R&D and the Transportation Test Center is gratifying to RPI as well. Our member companies are very much in favor of a balanced intermodal transportation system throughout our country.

The railway supply industry is fully endorsing the resurgence of passenger and commuter rail. This renewal affects a huge industry that provides signal systems, right-of-way improvements, component parts as well as passenger cars and locomotives.

We endorse investment in steel wheel on steel rail technology for high-speed rail transportation. To your approach, Mr. Chairman, of high-speed rail and your view not to focus on risky technological show pieces, we are pleased to note the Transportation Research Board has scheduled a conference for this summer to define research and development issues facing the railroad industry. We are hopeful these discussions will allow government and industry to better focus their future R&D efforts.

When I testified here a year ago, we asked for additional funding for the Transportation Test Center in Pueblo, Colorado. We are grateful the committee agreed with us and added $1.5 million to the research and development budget specifically for the test center.

With the passage of the Intermodal Surface Transportation Efficiency Act and the Clinton administration's emphasis on developing new technology, the Transportation Test Center promises to become an even more important facility.

I might add research programs currently under way which are a collaboration between the test center and the rail supply industry will require increased R&D funding in future years.

Incidentally, the rail supply industry expects to support the test center by paying approximately $2.5 million for use of the center. Now let me get on with other issues of concern.

We again urge you, Mr. Chairman and Members, to fund the FRA research and development portion of TTC at $5.2 million. This reflects only an inflationary increase from last year's level and will also allow for continued site renovation and restoration.

We also ask that you continue funding of the operation life saver activities through both the FHWA and FRA budgets and to give consideration to exploring a government partnership to develop ATCS, or Advanced Train Control Systems.

Passenger rail continues to grow and be needed in this country. We urge Congress to once again maintain a core level of dependable and predictable support for the Federal Transit Administration so that long-range planning and development are possible. We support equitable funding of all transit programs at the level authorized by ISTEA.

Amtrak remains an integral part of this rail passenger transportation system, and we support full funding of the monies they are requesting. We also endorse Congressman Swift's penny-a-gallon gas tax for Amtrak.

Lastly, Buy America is an on going concern to this industry. We have spoken of it many times before congressional committees. On behalf of the railway supply industry, we propose that Amtrak be subject to the same Buy America regulations as imposed on the Federal Transit Administration.

With that, Mr. Chairman, I conclude my remarks. I thank you again for allowing me to address you today.

[The prepared statement of Mr. Trites follows:]

TESTIMONY OF

THE RAILWAY PROGRESS INSTITUTE

BEFORE THE

HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON TRANSPORTATION AND RELATED AGENCIES

March 29, 1993

Good morning Mr. Chairman and members of the Subcommittee. I am Douglas C. Trites, President of Unit Rail Anchor Company.

I am here as Chairman of the Railway Progress Institute Committee on Maintenance-of-Way. The Railway Progress Institute is the international trade association of suppliers to the freight railroads, Amtrak, and the nation's commuter and rail transit systems.

I testified before this Subcommittee last year, and again, I welcome this opportunity to appear before you today to discuss the rail transportation needs of our country.

First I express to you the appreciation of our association's members and staff for the courteous attention we have always received at this subcommittee's hearings. We deeply appreciate the bipartisan support you have given to virtually every funding initiative that we have proposed. Year after year, you have supported rail passenger transportation and we look forward to continuing a good working relationship. Your continued recognition of the importance of freight R&D and the Transportation Test Center is gratifying to RPI as well.

As we have testified in the past, Mr. Chairman, we are very much in favor of a balanced, intermodal transportation system throughout the country. The railway supply industry is fully endorsing the resurgence of passenger and commuter rail. We look forward to building on the great strides that are being made in this mode of transportation. This renewal affects a huge domestic railway supply industry that provides signal systems, right-of-way improvements, component parts as well as passenger cars and locomotives.

We endorse investment in steel wheel on steel rail technology for high-speed rail transportation, and your approach, Mr. Chairman, to high-speed rail and your view not to focus on risky technological showpieces.

We are pleased to note that the Transportation Research Board has scheduled a conference for this summer to define research and development issues facing the railroad industry. The discussions held at this conference will allow government and industry to better focus their future R&D expenditures.

TRANSPORTATION TEST CENTER

When I testified here a year ago, we asked for additional funding for the Transportation Test Center in Pueblo, Colorado. We are grateful that the Committee agreed with us and added $1.5 million to the Federal Railroad Administration's Research and Development budget, specifically for projects at the Test Center.

Frankly though, the need for continued federal support of the Test Center Continues.

Through the years, the railway supply industry has used the Test Center to test a variety of new products that since have successfully been put into use by our nation's railroads and transit systems.

For example, with RPI's Committee on Tank Cars monitoring, FRA has used TTC's Rail Dynamics laboratory to test fatigue life and safety design detail of railroad tank cars. This will ultimately allow us to build an even safer tank car fleet.

Similarly, tests performed on TTC's FAST Loop -- Facility for Accelerated Service Testing -- have allowed RPI member companies to evaluate all types of rail, rail fasteners, switches, and turnouts, crossties, ballast, and subgrade materials. FAST also gives the supply industry an opportunity to test new wheels, freight cars, and locomotives before they are placed into revenue service. Amtrak used the FAST Loop to extensively test two AC locomotives to ensure the technology would work prior to installing them in revenue service.

In short from the subgrade and ballast through the rolling stock and signal systems, the railway supply industry has utilized TTC to the benefit of the railroad and rail transit industries and the American economy.

With passage of the Intermodal Surface Transportation Efficiency Act and with the Clinton Administration's emphasis on developing new technologies, the Transportation Test Center promises to become an even more important facility.

RPI suggests that the Committee consider the following:

- Funding the FRA Research and Development portion of TTC at $5.2 million which reflects only an inflationary increase from last year's level. This will allow for continued site renovation and restoration, building on the work of last year.

- With the amount of federal R&D money invested in IVHS (Intelligent Vehicle Highway Systems) and considering the Clinton Administration's interest in developing new technologies, an industry-government partnership to develop an ATCS test bed should be explored. ATCS -- advanced train control systems -- is a technology that promises to bring increased safety and productivity benefits to the U.S. railroads. RPI's Committee on Advanced Train Control Systems, comprised of the companies who have developed ATCS technology, would gladly meet with Committee staff to discuss this proposal.

- Continue funding Operation Lifesaver activities through both FHWA (where ISTEA provides $300,000 per year for Operation Lifesaver) and FRA (which has provided money through its R&D budget for specific Operation Lifesaver activities since 1987).

When I was here last year, the future of the Transportation Test Center was very much in doubt. Thanks to your actions last year, the future of the Transportation Test Center is brighter. Incidentally, the supply industry expects to support the Test Center by paying approximately $2.5 million for use of the Center.

With your help again this year, we can continue to improve on the national treasure that is the Transportation Test Center.

The Transportation Test Center continues to pay dividends to each of us -- in a safer rail and rail transit infrastructure and healthier and more productive domestic railroad and railway supply industries.

FUNDING FOR MASS TRANSIT

We urge Congress to once again maintain a core level of dependable and predictable support for the Federal Transit Administration so that long range planning and development will be possible. We support full funding of the transit program authorized in the Intermodal Surface Transportation Efficiency Act, otherwise known as ISTEA. The transit industry needs full funding of capital and operating programs to carry out nationwide investments that will stimulate job creation, sustain prosperity, enhance mobility, improve productivity and meet national environmental, energy and accessibility goals. We support equitable funding of all transit programs so our nation can receive the full benefits of the carefully designed ISTEA transit program.

AMTRAK

With the renewal of interest in passenger rail and with Amtrak as an integral component part of the transportation infrastructure, we urge Congress to fund Amtrak at the level they requested so they can operate competitively. Amtrak is requesting $381 million for operating costs, $9.5 million for new services, $250 million for capital programs, and $250 million for the Northeast Corridor Improvement Program. We also endorse Congressman Swift's penny a gallon gas tax for Amtrak.

BUY AMERICA

Buy America is an ongoing concern to this industry. We have spoken of it many times before Congressional committees. We are encouraged about the prospects for enforcement of Buy America in future transit equipment process. On behalf of the railway supply industry we would like to propose that Amtrak be subject to the same Buy America regulations that is imposed on the Federal Transit Administration. Buy America has played an instrumental role in our industry alleviating the problems that occurred in the seventies and eighties when many U.S. companies went out of the transit car producing business with capital improvements faltering and R&D lapsing. Buy America has encouraged foreign companies to invest in the U.S. rather than simply export to the U.S. Buy America is one of the great successes of Congress in fostering our national economy. We are not only maintaining American jobs, but our technology as well. Our companies must be assured of their government's attention and support for Buy America for their continued success.

This concludes our remarks, Mr. Chairman, and we thank you for this hearing. We will, of course, be pleased to answer your questions.

# # #

Mr. CARR. Thank you. We appreciate your summarizing and your support of this committee's work. I look forward to working with you in the future.

We will take about a 20-minute recess.

MONDAY, MARCH 29, 1993.

TRAINING OF AIR CARRIER MAINTENANCE TECHNICIANS

WITNESS

HON. GLENN ENGLISH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OKLAHOMA

Mr. CARR. We will resume our hearing.

I notice my good friend Glen English in the room. Why don't you join us and give us the benefit of your wisdom.

Mr. ENGLISH. Thank you very much, Mr. Chairman. I appreciate the opportunity. Thank you for having me.

I might also say if I could, I have a more extensive written statement we have submitted to the—

Mr. CARR. We will put it in the record.

Mr. ENGLISH. I appreciate that. Thank you. I will try and summarize.

I certainly appreciate the opportunity to be with you and discuss a matter which has significance and importance to the training of the air carrier maintenance technicians.

As I mentioned, Mr. Chairman, I will try to be brief in the interests of time. Our colleague Jim Oberstar was going to join my today but his schedule didn't allow him to get out of Minnesota in time. He is going to make mention of this when he appears before you later this week.

Last year the Airport and Airway Safety, Capacity, and Intermodal Transportation Act of 1992 provided the Committee on Public Works and Transportation with a unique program. The administrator is authorized to make up to a total of four separate grants to vo-tech schools for the purpose of acquiring facilities to train certified A&P technicians for advanced air carrier maintenance.

Today there is a very large hurdle that graduates of any FAR 147 school must overcome once they are hired. Specifically, the typical FAR 147 graduate is trained primarily to work on private and corporate aircraft, yet many graduates aspire to work on the commercial airlines or one of the large aircraft maintenance repair stations. They have little, if any training to enable them to begin working immediately on the heavy transport aircraft.

Hence, if they are lucky enough to be hired by one of the airlines or repair stations, they have got to complete a two to three-year on-the-job training before they are qualified to work independently on any phase of the repair project.

And with today's aging air fleet, as well as a new generation of aircraft being delivered to U.S. air carriers, there is no reason why the heavy maintenance technician cannot learn the skills required of them in a classroom as opposed to on-the-job training type of an approach.

Public education through the state vo-tech schools is already a primary source of training for the FAR 147 technicians, and many have the ability to expand their curriculum to include the advanced training for heavy aircraft maintenance repair. And I think it is important that now we provide them with the opportunity to stay ahead of the maintenance training curve by acting on the authorization given the FAA last year.

Mr. Chairman, I come to the subcommittee, and I will be joined later this week by Mr. Oberstar, asking your support in providing the appropriation necessary to move the project forward. With a maximum of $20 million authorized for grants to be made by the FAA administrator out of the trust funds, up to four vo-tech schools can soon begin to turn out technicians better prepared to meet the growing challenges of the heavy transport air carrier industry. And with the subcommittee's support, this request certainly would be appreciated.

I would be happy to answer any questions, Mr. Chairman.

[The prepared statement of the Hon. English follows:]

TESTIMONY OF REP. GLENN ENGLISH
SUBCOMMITTEE ON TRANSPORTATION
HOUSE APPROPRIATIONS COMMITTEE
MARCH 29, 1993

Mr. Chairman and members of the Subcommittee, I certainly appreciate the opportunity to be with you today to discuss a matter which has significant importance to the training of air carrier maintenance technicians. Our colleague, Jim Oberstar, was going to be here with me today, however his schedule did not allow him to leave Minnesota in time. Just the same, he will mention this matter to you when he appears before this Subcommittee later this week.

Last year at this time, the Committee on Public Works and Transportation authorized a unique program within the Airport and Airway Safety, Capacity, and Intermodal Transportation Act of 1992 (P.L. 102-581). Specifically, Section 116 of the Act provides the Administrator of the Federal Aviation Administration with the authority to make grants from the Airport and Airway Trust Fund for the advanced training of maintenance technicians for air carrier aircraft. The Administrator is authorized to make up to a total of four separate grants to vocational technical institutions for the purpose of acquiring or constructing facilities to train certified Airframe and Powerplant (A&P) technicians for advanced air carrier maintenance. Why was this done?

During the past few years, the Congress has devoted significant attention to the aviation maintenance repair industry and the growing burdens associated with our nation's aging air fleet. The increasing age of the majority of commercial aircraft in operation today deserves the sincere and aggressive oversight the Congress has provided to date. We know one thing for sure - the aviation maintenance repair industry is crying out for skilled technicians to keep their fleets operating within the strict compliance standards established by the FAA. One-third of the carriers that responded to the GAO report on aircraft maintenance issued May, 1991 said that not being able to hire skilled employees would "greatly limit their plans to increase capacity to maintain and modify the airframes of their aircraft through 1995." In addition, the report notes that air carriers and repair stations are planning to increase the number of airframe mechanics they employ by over 30 percent by this year and will continue these increases in the years ahead.

Today, there is a large hurdle that graduates of any standard FAR 147 school, and their new employers, must overcome once they are hired. Specifically, a typical FAR 147 graduate is trained primarily to work on private and corporate aircraft.

However, many graduates aspire to work for a commercial airline or one of the large aircraft maintenance repair stations. They have little, if any, training to enable them to begin working immediately on a heavy transport aircraft. Hence, if they are lucky enough to be hired by an airline or repair station, they must complete between 2-3 years of on-the-job training before they are qualified to work independently on any phase of a repair project. With today's aging air fleet, as well as the new generation of aircraft being delivered to U.S. air carriers, there is no reason why heavy maintenance technicians cannot learn the skills required of them in the classroom rather than on the job. It would be great if we had a public education institution training program that would provide qualified heavy aircraft maintenance technicians to the airlines and repair stations. It would also be great if we graduated students from FAR 147 schools that could essentially hit the ground running and require less than half the amount of time necessary for on-the-job training. We can do this.

Given the economic crisis facing our nation's airline industry, the federal government has a role to play. This is already evidenced by the establishment of the National Commission to Ensure a Strong Competitive Airline Industry and recent congressional action to expand the Commission.

Public education, through state vocational-technical schools, is already a primary source of training for FAR 147 technicians. Many have the ability to expand their curriculum to include advanced training of their students for heavy aircraft maintenance repair. And, yes, there is such a school in my district that could be the leader in setting the example of how well FAR 147 technicians can be trained and passed along to our nation's airlines and repair stations under the best circumstances possible.

Section 116 of P.L. 102-581 is more important than we might think by simply glancing at its language. By allowing funds to be used to acquire or construct facilities to train technicians for advanced air carrier maintenance, we are staying ahead of the curve and actually filling a void which was outlined in the GAO report I spoke of earlier. Mr. Chairman, I come to the Subcommittee, joined later this week by Mr. Oberstar, asking for your support in providing the appropriation necessary to move this matter forward. With a maximum of $20 million authorized for grants to be made by the FAA Administrator, up to four vocational-technical schools can begin to turn out advanced technicians who are better prepared to meet the growing challenges of the heavy transport air carrier industry.

Mr. Chairman, the Subcommittee's support of this request will be appreciated. I will be happy to answer any questions you may have at this time.

Mr. Carr. Thank you, Mr. English. We are delighted to have you here and receive your testimony.

I don't have any questions. Thank you for being here.

Mr. English. Thank you very much, Mr. Chairman. As always, it is a pleasure to be here, and certainly you are very kind today.

Mr. Carr. I am kind every day.

Mr. English. Nothing better than a kind Chairman. I appreciate that. Thank you again.

Monday, March 29, 1993.

TRANSPORTATION NEEDS IN NORTHWEST INDIANA

WITNESS

HON. PETER J. VISCLOSKY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

Mr. Carr. The next witness will be a Member of our full committee, Peter Visclosky.

Thank you for stopping by.

Mr. Visclosky. Thank you very much for having me by.

Mr. Carr. Your testimony in full will be made a part of the record.

Mr. Visclosky. Mr. Chairman, I appreciate that and I would just want to address three issues in the testimony, if I could.

I do want to thank you, Mr. Wolf and the other Members of the subcommittee, for the opportunity. I would like to bring to the subcommittee's attention a matter that is still on the minds of many northwest Indiana residents.

On January 18th, a fatal accident claiming seven lives and injuring over 70 passengers occurred at the south shore commuter line at the Gantlet Bridge in Gary, Indiana. This is the second accident to occur in an area where two tracks merge together into one roadbed. I am requesting $4 million for a reconfiguration of the bridge.

Two other issues pertinent to the city of Gary. The two counties I represent the greater proportion of in northwest Indiana have lost jobs since 1987. Gary has been particularly hard hit. I am requesting money for a new roadway to open up the lake shore of Lake Michigan for the waterfront community of Gary.

Finally, as in past years, the request that the regional airport be designated a high priority status. During the last several years the city has made great strides. In terms of the development of the airport they are now a foreign trade zone. They have a legislative proposal going through for tax incentives for an 8,000-acre area near the airport in terms of its economic development, and would certainly like to support the city in their efforts.

With that, I conclude my remarks, and avail myself of any questions or comments you might have.

[The prepared statement of the Hon. Visclosky follows:]

PETER J. VISCLOSKY
1ST DISTRICT, INDIANA

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TESTIMONY OF
CONGRESSMAN PETER J. VISCLOSKY

HOUSE APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

MARCH 29, 1993

MR. CHAIRMAN, I want to thank you, Mr. Wolf, and all of the subcommittee members for allowing me to testify today regarding funding for several transportation projects important to Northwest Indiana.

First, I wish to bring to the subcommittee's attention a matter that is on the minds of many in Northwest Indiana. On January 18, 1993, a fatal accident claiming 7 lives and injuring over 70 passengers, occurred on the South Shore commuter line at the Gantlet Bridge in Gary, Indiana. This is the second accident to occur in an area where two tracks merge together into one roadbed. I am requesting $4 million for a reconfiguration of the bridge so that we will not have another deadly accident.

Several projects I mention today are necessary because of the migration of many people from cities in northern Lake and Porter Counties and Chicago to the southern suburbs of my district. Because these areas were traditionally agricultural, we have deficient north-south throughways to handle the traffic which now travels that route daily. The following projects would help to facilitate north-south traffic in Northwest Indiana:

WILLOWCREEK ROAD, Portage, Indiana. I am requesting $3 million to help complete phase two of this ongoing project which will widen Willowcreek Road from two lanes to four. The road connects two major east-west routes and is presently operating in excess of capacity.

CALUMET AVENUE, Dyer, Indiana. $750,000 is being requested to assist the town of Dyer with right-of-way acquisition as part of a project to extend Calumet Avenue. As with Willowcreek Road, Calumet Avenue connects two major east-west routes. It also passes through several suburbs. When complete, Calumet Avenue will relieve congestion on U.S. 30 and Indianapolis Boulevard.

INDIANAPOLIS BOULEVARD AND MAIN STREET INTERSECTION, Griffith, Schererville and Highland, Indiana. This project, for which I am requesting $800,000, will assist three communities in their efforts to relieve backups at one of the busiest intersections in Lake County. Indianapolis Boulevard, or U.S. 41, is the only major north-south road is western Lake County and traffic backups at the intersection are unbearable during rush hours.

There are three miscellaneous requests I wish to bring to the subcommittee:

EVANS AVENUE AND CALUMET AVENUE INTERSECTION, Valparaiso, Indiana. I am requesting $800,000 to assist the City of Valparaiso in completing a reconfiguration of the Evans/Calumet intersection. Plans for the intersection involve curbing, a major storm drainage trunk line, lighting, and overall widening of the intersection. The appropriation would go the second phase of the project.

COLUMBUS DRIVE, East Chicago, Indiana. This request, for $750,000, would go toward East Chicago's efforts to resurface Columbus Drive. Columbus Drive is located in a heavily industrialized area and is key in providing transportation to and from two steel mills and an international harbor. Federal assistance will help to speed up this project and get these industries moving more efficiently.

93RD AVENUE STUDY, Lake County, Indiana. I am requesting $750,000 to allow local planners to study whether 93rd Avenue could be expanded into a direct east-west roadway. Ultimately, as has been suggested by many leaders in the region, 93rd Avenue could be expanded to take pressure off of U.S. 30. U.S. 30 is currently the only east-west route in the southern portion of my district -- the highest growth area in Lake County.

Finally, I want to bring to your attention two projects that will benefit Gary, Indiana. Gary, which suffers an unemployment rate of 17 percent, has been making a concerted effort to diversify its economy from sole dependance on the steel industry. The steel industry in Northwest Indiana has gone through a difficult decade of restructuring that has cost the region 38,000 jobs -- many of which were in Gary.

GARY MARINA ROAD, Gary, Indiana. Recently, the city of Gary, with the cooperation of the National Park Service and USX Corporation, has embarked upon a large redevelopment project for its lake shore. The project consists of over 300 acres of Lake Michigan lakefront which will be develop into a large marina. I am requesting $2.8 million to assist in the construction of a new roadway possibly along an abandoned railroad right-of-way which will serve as an access road to the new Gary marina.

GARY REGIONAL AIRPORT, Gary Indiana. I am requesting a 'priority status' designation for the Gary Regional Airport. A designation of priority status will give the Gary airport an extra leg-up on Federal grants to help keep its airport meeting safety standards.

I appreciate the assistance the subcommittee has provided in the past, and am grateful for your consideration again this year.

Mr. CARR. Thank you very much. We appreciate your being here and telling us of your community's needs. We will certainly look forward to working with you to see what we can accomplish.

I just might indicate to you, the committee may not for the first time in many years have a so-called priority list of airports. We may in fact change how we treat that whole subject matter area.

I look forward to working with you.

Mr. VISCLOSKY. Thank you very much, Mr. Chairman.

Mr. CARR. You bet.

MONDAY, MARCH 29, 1993.

PHASE III OF LAKETRAN COMPRESSED NATURAL GAS PROJECT

WITNESS

HON. ERIC FINGERHUT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. CARR. I notice in the room my friend and colleague Eric Fingerhut from the State of Ohio.

Very nice to have you here.

Mr. FINGERHUT. Mr. Chairman, it is a pleasure to be here. It is particularly a pleasure that my first appearance in fact before a committee of this Congress is before you. Since the people behind me in this room don't know, you got me started here in Washington many years ago.

I come——

Mr. CARR. You were one of the best interns I ever had.

Mr. FINGERHUT. Thank you. You were the best Congressman I interned for.

Mr. CARR. Out of dozens.

Mr. FINGERHUT. Mr. Chairman, I would ask——

Mr. CARR. Tell us about the request you have.

Mr. FINGERHUT. Mr. Chairman, I think I perhaps ought to quit while I am ahead and submit testimony for the record. I would ask that the full testimony be submitted for the record.

Mr. CARR. Without objection.

Mr. FINGERHUT. Very briefly, this is a request for funding for the third phase of a demonstration project, Phase I and 2 of which were funded by this committee and this Congress in fiscal year 1991. It is truly a demonstration project in that it is unique of its kind in the country, a mass transit bus facility that is being designed specifically for compressed natural gas, which, as you well know, is a method of operating mass transit vehicles, which significantly reduces the air pollution content.

Lake county, Ohio, which is the site of this facility, is of course a non-attainment area, as is so much of the industrial Midwest. And they have struck out on this project together with the Ohio Department of Transportation and the LAKETRAN system, which is the mass transit system in Lake County, and the generous assistance of the Federal Transit Administration.

The first two phases were funded in fiscal year 1991. The funding covered the design phase, Phase 1, and the construction phase of a prototype facility for the fueling, storage and maintenance of CNG buses.

Mr. Chairman, Phase I and Phase II are nearly complete, and the maintenance and storage facility became operational October 24th, 1992.

The project was completed on time and under budget. It is the first transit facility in the country, as I have noted, designed and built for CNG technology. The fueling station is under construction and will be completed this fall.

LAKETRAN is now ready to implement Phase III, the purchase and operation of CNG fuel buses. Without Phase III there will be no buses to fuel and store at the prototype facility.

Most importantly, without Phase III the full potential of the prior Federal investment which this committee was so instrumental in obtaining would not be realized.

Mr. Chairman, my request to the subcommittee today is to fully fund Phase III of the LAKETRAN Compressed Natural Gas Project. That would require an appropriation of $4.5 million in fiscal year 1994, the purchase of 14 buses that run on compressed natural gas.

Again, Mr. Chairman, I thank you for the opportunity to testify, and I appreciate your courtesy.

[The prepared statement of the Hon. Fingerhut follows:]

MARCH 29, 1993

Testimony of Representative Eric D. Fingerhut before the House Appropriations Subcommittee on Transportation

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Mr. Chairman, I wish to thank you and members of the Subcommittee for the opportunity to testify today regarding a project of special significance to the 19th Congressional District of Ohio.

New federal mandates in the Clean Air Act Amendments of 1990 and the Energy Policy Act of 1992 encourage urban transit systems to incorporate alternative fuel vehicles into their fleets. Lake County, Ohio has been designated a non-attainment area by EPA under the Clean Air Act of 1990 and requires measures to bring it into compliance. Transportation systems dedicated to compressed natural gas(CNG) are impressive in their ability to meet the future emission standards. A 90% reduction in carbon monoxide, total elimination of toxic pollutants and a 30% to 70% decline in nitrogen oxides all demonstrate why compressed natural gas technology will be critical to urban areas seeking to comply with the new clean air standards.

In 1991, the Ohio Department of Transportation and LAKETRAN, the transit authority of Lake County, submitted a CNG demonstration grant application to the Federal Transit Administration. The grant sought funding for buses and a prototype bus storage, maintenance and fueling facility for CNG buses.

(more)

The first two stages were funded by the FTA in Fiscal Year 1991. This funding covered the design (Phase 1) and construction (Phase 2) of a prototype facility for the fueling, storage and maintenance of CNG buses. This was to be the first building designed and built specifically for CNG technology.

Mr. Chairman, Phase 1 and Phase 2 are nearly complete and the maintenance and storage facility became operational October 24, 1992. I wish to emphasize that this project was completed on time and under budget. This is the first transit facility in the country designed and built for CNG technology.

The fueling station is under construction and will be completed this fall.. LAKETRAN is now ready to implement Phase 3 of the original project...the purchase and operation of CNG-fueled buses. Without Phase 3, there will be no buses to fuel and store at this prototype facility. Most importantly, without Phase 3 the full potential of the prior federal investment in this facility thats on the leading edge of clean air technology will not be realized.

Mr. Chairman, my request to the Subcommittee today is to fully fund Phase 3 of the LAKETRAN Compressed Natural Gas Project. This will require an appropriation of $4.5 million in Fiscal Year 1994 for the purchase of 14 buses that run on compressed natural gas. Mr. Chairman, that concludes my testimony, I am available to answer any questions that you or other members of the Subcommittee may have regarding this important project. Thank you.

Mr. CARR. I appreciate your being here.

Where would these buses principally operate?

Mr. FINGERHUT. In the LAKETRAN jurisdiction, which is Lake County, Ohio. That is the county immediately to the east of Cuyahoga County, with which you are familiar, and it is a rapidly expanding transit area.

The LAKETRAN ridership has doubled since 1988. In fact, it is also unique in that a substantial percentage of LAKETRAN ridership is providing services to the handicapped also, which is a very cost effective——

Mr. CARR. How many buses do they operate now, do you have any idea?

Mr. FINGERHUT. I am sorry, I don't know that number off the top of my head, but I can find it for you.

Mr. CARR. You might give us the number, have them submit the number and what their average vintage, what the average age of their current bus fleet is.

Mr. FINGERHUT. I would be happy to do that.

It is a rapidly expanding population base as well. This is one of the classic ex-urban communities.

Mr. CARR. Is LAKETRAN seeking this money out of a Section 3 bus earmark?

Mr. FINGERHUT. Yes, sir.

Mr. CARR. Were they able to use any supplemental money, money in the supplemental that we were about to pass on that?

Mr. FINGERHUT. I am not sure if they are able to. I know that the first phases did come from Section 3 funds through ISTEA, but being relatively new at this, I would have to check on that as well.

Mr. CARR. You might ask them to send us a letter.

Mr. CARR. Thanks.

Mr. FINGERHUT. Thank you, Mr. Chairman. It is a pleasure.

MONDAY, MARCH 29, 1993.

AMERICAN TRAUMA SOCIETY

WITNESS

HARRY TETER, JR., EXECUTIVE DIRECTOR, AMERICAN TRAUMA SOCIETY

Mr. CARR. Our next witness will be Harry Teter for the American Trauma Society.

Nice to see you again.

Mr. TETER. Mr. Chairman, it is a pleasure to be here and to testify before you again. I appreciate the opportunity to make a few comments. I did have a statement.

Mr. CARR. It will be included in its entirety in the record.

Mr. TETER. Thank you, sir. I will be very brief and hope to get you back on your schedule.

Sir, I am here to talk a little bit about the National Highway Traffic Safety Administration and to request the funding, full funding for this organization, DOT, this administration, I should say, and my specific interest there is, of course, highway safety and emergency medical services and the programs that are done there at NHTSA.

My organizations that I work with really see the end result—especially in trauma—we see the end result of safety that didn't happen, or prevention that didn't occur. We know full well from what we see every day how vital it is that we have systems of care out there to save the injured who are injured on our highways.

It is critical that we have trained EMTs, that we have rapid response, we have good communications, all in the pre-hospital phase so that when these crashes occur, we can get help and get proper help.

Several years ago there was a study done that showed that if we just have good basic EMT programs and EMTs there in an area, that we reduce hospital stays and costs by about 25 percent of the bill. This day and age we are looking to reduce health care costs. It is critical that we have these systems.

These systems have saved a countless number of lives over the years. They depend, as I say, on the trained people, and the Department of Transportation and specifically NHTSA, does the national curriculum that everyone uses to do these training programs.

In addition, the 402 dollars also provide the States with critical dollars in order to do the training that has to be done. And of course they are not the sole dollars the States use but they are very critical dollars. The States also contribute to these programs.

In my testimony, I also suggested a couple of areas of national attention I think we must look at for research and for more attention. Many of those go to the prevention area.

Certainly, and I believe it is one of the Chairman's interests is in driver education and driver training. We must look at this very carefully, and we can do a better job.

Right now we are looking at a program that is called Bystander Care, and it would be to help train citizens on what you can do when you come upon the scene of a crash, what has to be done.

These are some of the programs that we have to do. We have to be gathering better data on pre-hospital problems. Many of the States are using their 402 dollars to do that and those dollars are well invested.

The data we will amass that will allow us to analyze crashes, to know if our systems are truly functioning properly, and to know also more specifically about trauma, are going to be able to allow us to focus more sharply on prevention programs.

I think that all of us see these massive numbers and wonder sometimes how relevant it is to us. If you were here over the weekend and saw The Washington Post, on the front page you saw a very sad article about a crash that happened here in Northern Virginia, killing one young lady, critically injuring three others. This was a very tragic crash. It didn't have to happen. There were many steps along the way that could have prevented this.

The DOT program comes in for just a part of working to prevent crashes like this and incidents like this. This incident, which was in today's paper, as a follow-up, talked at length about this. These happen every day. There are roughly 50,000 of these type of crashes every year. We have to do something about this.

NHTSA isn't the only player in this game. It is a big problem. But NHTSA's challenge of giving us trained EMTs, giving us trained people, educating better, doing public awareness on trauma will play a vital role in this.

The two people who were saved from this crash, who are still in critical condition, probably would have been in far worse shape, possibly dead, if it hadn't been for the trained people on the scene in this area.

We need DOT's work, we need NHTSA's work very badly. I do urge you to give this full funding.

[The prepared statement of Mr. Teter follows:]

Testimony
of
Harry Teter, Jr.
for the
American Trauma Society
and
The Atlantic Emergency Medical Services Council
before the
Subcommittee for Appropriations for
Transportation and Related Agencies
U.S. House of Representatives
March 29, 1993

Chairman Carr, members of the Committee, I appreciate the opportunity to appear before you today on behalf of the American Trauma Society and the Atlantic Emergency Medical Services Council to support the full funding of the National Highway Traffic Safety Administration and the Department of Transportation. The American Trauma Society (ATS) is a nationwide, non-profit voluntary organization dedicated to prevention of trauma and improvement of trauma care. The ATS has over 3,000 individual members (doctors, nurses, EMTs, laymen) and 200 institutional members. The members of the Atlantic EMS Council are the EMS directors from the states of New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia and the District of Columbia. The Council's mission is to improve the delivery of EMS care in this region both intrastate and interstate.

The American Trauma Society has worked closely with NHTSA since its inception. In fact, the Society worked diligently to see that NHTSA was formed. The Atlantic EMS Council has worked with NHTSA for the past 15 years. We know the work and accomplishments of NHTSA and believe strongly that without it death and disability from highway crashes would be much greater today. It has been the leader in advocating and setting standards for pre-hospital rescue of trauma patients.

Twenty-five years ago, your chances of surviving a life-threatening injury were better on the battlefields of Vietnam than on the American highway. Twenty-five years ago, there were no designated trauma centers and no systems of emergency medical services to care for seriously injured patients. In fact, in many locales, patient transport was done by the local funeral home director who doubled as an ambulance rescuer and patients were taken to the nearest medical facility regardless of its ability to receive and treat the victim. In addition, there were no 911 systems, seat belts were in their infancy, and air bags were non-existent. During the subsequent 25 years, significant advances have been made to reduce death and disability due to trauma. Much of this progress came as a result of leadership of NHTSA. Due to its leadership safety has greatly increased on the highway. Seatbelts, child restraints, airbags, anti-lock brakes, motorcycle helmets are but a few of the improvements brought about in large measure by NHTSA's work. These measures now have hundreds of lives.

The work of NHTSA is still vital and that is why the American Trauma Society and the Atlantic EMS Council strongly supports and urges its full funding.

Although many advances have been made in highway safety there is still a staggering volume of car crashes and other highway related trauma, killing or disabling thousands of people annually. This can be and must be stopped and NHTSA has a key role in doing this.

Specific future NHTSA attention should include the following:

Response times to crashes in rural areas is still too long, reducing the chances of saving the victims. The last great unknown in the rescue of crash victims is exactly when the incident occurs. The sooner a crash victim is rescued and brought to a proper medical facility, the greater his chances of successful recovery. The more time that lapses, the more his chances are reduced. Technology now exists that will allow us to know when and where a crash occurs. Every vehicle should be equipped with a device that will send a distress alert should that vehicle be in a crash. NHTSA must take a leadership role in advocating for this. We have the Intelligent Vehicle Highway System and there must be an EMS component that will test this immediate detection.

NHTSA should continue its excellent research into rural preventible mortality. It must revise its EMT training programs. It must provide technical assistance to states to help them write communication plans for the FCC so that EMS providers are qualified for using the newly designated medical channel. These are research areas with national significance.

For the past four years the Atlantic Emergency Medical Services Council has been developing a multi-state EMS systems data registry. The purpose is to be able to evaluate trauma in the region, where and when it occurs, the cause, the circumstances, the response to it and the outcome. From this, recommendations will come for more effective prevention programs and areas for improvement in our EMS systems. Data from prehospital sources (police and ambulance reports) will be linked with medical reports to evaluate how the prehospital care effects outcome. This and other projects like it will provide invaluable information on how we can reduce death and disability on our highways. I urge they have continued funding and support.

Another national program is driver education. Last year I attended a meeting of 50 business and government leaders in vehicle and highway safety. They agreed on one point; present driver education courses are inadequate. The American Trauma Society is reviewing this issue and would welcome working with NHTSA to develop an effective drivers education curriculum. The ATS presently is developing a program to instruct citizens on what they can do when confronted with a crash and injured victims. This is based on an excellent NHTSA report title Bystander Care. This program which should be taught across the nation has excellent potential for saving lives. Funding for this is most important.

The grants to states in the 402 program provide critical resources to the states to conduct programs on highway safety.

Programs for EMT training and testing provide the state well-trained responders to crashes who save countless lives. EMS capabilities are greatly enhanced due to the programs funded with these dollars and it is vital they continue to the states.

Highway safety must receive higher national attention. If we are to have health cost containment more emphasis must be placed on safety and prevention. More attention must be directed to education nationally on highway safety. NHTSA must be active in this area in the future as it has so effectively done in the past. Its past accomplishments are many. Its future challenges are daunting. Fortunately, it has a dedicated, talented staff committed to highway safety. NHTSA merits full funding to continue its excellent work.

Mr. Carr. Thank you, Mr. Teter.

We are interested, of course, in safety, and we are interested in making sure we can prevent future auto accidents. The business of this committee is safe transportation, and will continue to be so. We do look to the other committees to help us out when it gets to what happens when all efforts at safety fail. At that point it becomes a funding problem that appropriately lies in another subcommittee.

Mr. Teter. I think we all have a role. There are many roles in this, and I agree with you, I think it should be several coming to grasp on this. This is a national epidemic.

Mr. Carr. Not too long ago I visited the Ryder trauma center down in Miami, and I think that was the most impressive—I am not sure they intended it this way—was the gentleman that I met that they employ who does auto accident analysis, and that in effect feeds information back into NHTSA about what happens when accident prevention fails.

And I think that is something that this committee ought to be interested in, look at, although I don't think we have the resources where we can fund trauma centers the way we used to.

Have you had a chance to look at the NTSB recommendation on young drivers?

Mr. Teter. Yes, sir.

Mr. Carr. What do you think?

Mr. Teter. I think it would be a very good idea. I don't know if we can do it or not. But it is one of several things that I think should be very seriously considered and tried. That would have certainly impacted on this incident.

I think you are so correct that DOT, and the jurisdiction of this committee, has just one part to play in this whole thing, but it is such a large problem and involves so many, without DOT in it we would be far worse off today than we are.

I look back 25 years ago to when NHTSA just began, as I mentioned in my testimony. All of the advances that they have helped bring about have made safety much more real today in our automobiles and on our highways. We still have a long ways to go, and that is why we so desperately need it.

I appreciate what you said.

Mr. Carr. Thank you for being here. We appreciate the time you took.

Monday, March 29, 1993.

NATIONAL ASSOCIATION OF RAILROAD PASSENGERS

WITNESS

ROSS CAPON, EXECUTIVE DIRECTOR, NATIONAL ASSOCIATION OF RAILROAD PASSENGERS

Mr. Carr. Our next witness is Ross Capon of the National Association of Rail Passengers.

Welcome to the committee. We have your statement. We will place it in the record in full. We ask that you summarize.

Mr. Capon. Thank you, Mr. Chairman.

The bottom line for our members is that we think the country needs and deserves more and better rail passenger service. We are concerned that the quality of Amtrak service is fraying around the edges, and one of the problems they have is inferior equipment design, which is perhaps best symbolizeed by the fact that many people on the X-2000, the most striking thing to them is not the speed of the train but the fact that it feels like a well-designed piece of equipment that doesn't rattle.

And unlike much of the other equipment that Amtrak has to work with, we are afraid that under Reagan and Bush, Amtrak may have somewhat artificially reduced their operating subsidy requirement to get that revenue cost ratio up and paint a somewhat unrealistically rosy view of where they are right now.

In my statement, on page 2, where I talk about Atlanta, I should clarify that the intermodal terminal that went down to defeat—and I understand was the subject of another lead editorial in today's Atlanta paper—is not only needed for the new service they hope to bring to Atlanta, including commuter rail, but also Amtrak's existing facility is too small and is off on the outskirts of the city. And also in terms of our little recitation of anti-rail bias, I guess I would be remiss if I didn't mention the fact that the administration proposes to full fund ISTEA highways but not ISTEA transit. I think the transit figure is about 53 percent.

We share your somewhat critical view of ISTEA, and——

Mr. CARR. Not somewhat.

Mr. CAPON. We of course are trying to invent our money mantra which will be full funding of the Amtrak authorization. I understand the Amtrak board has made a request for a supplemental operating appropriation of $58 million.

In the hope that Amtrak funding will be inversely proportional to the time I take up, I will leave it at that.

[The prepared statement of Mr. Capon follows:]

Statement of

Ross Capon, Executive Director

National Association of Railroad Passengers

Before the Subcommittee on Transportation

Committee on Appropriations

U. S. House of Representatives

Department of Transportation FY 1994 Appropriation

March 29, 1993

Thank you for this opportunity to present the views of our non-profit, consumer-oriented organization.

We have appreciated this committee's support of Amtrak and mass transit and look forward to renewed progress as we work with the first president--at least in my lifetime--to have included a concern for improved rail passenger service as a prominent element in his campaigning.

I. BEST USE OF EXISTING RESOURCES

Mr. Chairman, we agree with your emphasis on the need to improve existing facilities--the so-called "incremental" approach to high speed rail--rather than create all-new systems, especially magnetic levitation.

We are concerned that the $1.3 billion for "magnetic levitation and high-speed rail" in the President's five-year investment program go to the greatest extent possible for immediately useful rail improvements.

In addition, we share your positive assessment of the paper, "Amtrak's high-speed locomotive development program." The X-2000 has created unprecedented interest in better train service nationwide--and the nationwide aspect will be intensified in any nationwide tours the X-2000 and ICE trains may make.

Our members enthusiastically support Amtrak's plan "to include in its procurement for the [Northeast Corridor] high-speed trainsets the development of a dualpower system that could be substituted for the electric locomotive when these trains are used on non-electrified rail lines."

We have always held Michigan DOT's rail program in particularly high regard. I frequently cite the state's very useful study of the different levels of Chicago-Detroit service that different levels of investment could achieve. (See Attachment I, my op ed column from The Journal of Commerce, Feb.

11, 1993). The same principles apply to the other corridors, including those Secretary Card designated under Section 1010.

II. ADEQUATE FUNDING FOR AMTRAK

We support President Clinton's "A Vision for Change," recognizing it is worlds ahead of what previous administrations have produced. Not surpisingly, however, we were disappointed that "Vision" does not include any additional funding for Amtrak beyond the $188 million in the FY '93 stimulus package.

Meanwhile, Amtrak struggles along short of cash and with about 40% of its rolling stock past their recommended heavy overhaul dates. Amtrak is generally unable to provide additional equipment for new services that states would like to help fund and in some instances lacks adequate equipment for existing services.

Because Amtrak was excluded from ISTEA, we share your lack of enthusiasm for the constant cries to fully fund ISTEA. We would of course like to see the Amtrak Authorization fully funded. Failing that, we would prefer--for example--95% funding of both laws rather than 100% funding of ISTEA and 85% funding of Amtrak.

As supporters of the concept of earmarking for Amtrak one penny of the deficit-reduction 2.5 cents, we were disappointed to hear the administration wants to switch those funds to the Highway Trust Fund. We suggest consideration of a compromise under which this money is earmarked for energy-efficient and environmentally-sound transportation solutions at the discretion of the appropriations commitees, with eligibility extending to all modes including intercity passenger rail.

III. REMOVING THE ANTI-RAIL BIAS

From top to bottom, our decisionmakers have a long way to go before rail gets the equitable treatment we believe it deserves. A case in point is the fate of bonds for an Atlanta intermodal terminal in the state legislature earlier this week.

In the face of hard work by our members and the Atlanta Chamber of Commerce and strong support from the media, the state legislature failed to come through with $13.2 million in bonds that would have unlocked $120 million in federal funds. The Atlanta Constitution accused Transportation Commissioner Wayne Shackelford of being "more concerned with covering North Georgia with asphalt," a reference to something called the "Outer Perimeter" whose chances of construction Georgia DOT seeks to enhance by inclusion in the National Highway System.

In North Carolina, relevant state and local officials--plus FHWA's Raleigh office and the Atlanta regional office--agreed to use $9.6 million in ISTEA Surface Transportation Program funds to facilitate improved Raleigh-Charlotte rail passenger service--but FHWA/Washington rejected all but $700,000 (for changing grade-crossing signal circuits). The Raleigh-Charlotte line has seven urbanized areas in 170 miles and parallels an Interstate highway with congestion problems. (See Attachment II, Mar. 11 J of C.)

Then, last week, we observed Senators Breaux and Boren calling highways and airports "programs to be funded immediately" and Amtrak to be funded "after reconciliation bill," even though a big chunk of the Amtrak money would have been used to recall furloughed Beech Grove workers and help prevent further deterioration of Amtrak service quality.

IV. BOSTON RAIL LINK

While Boston is constructing the Central Artery Project--the depression of a freeway that links North Station and South Station--we believe and most Massachusetts officials now agree a rail link between those stations should also be built. This would dramatically enhance the usefulness of existing and proposed trains serving Boston, including regional commuter rail, Boston-New York high speed and Boston-Portland.

V. AMTRAK PRICING

After much correspondence with Amtrak, we still think their pricing is not maximizing revenues, particularly due to lack of off-peak discounting on most long-distance routes. Amtrak's special non-refundable "All Aboard" fares expired for sale November 13. In January and February, when we believe those fares should have been restored, airline revenues outperformed Amtrak revenues (February airlines rose 2.5%, Amtrak declined).

VI. ARTICULATED TRAINS

At a recent conference sponsored by R. L. Banks & Associates Inc. and Railroad Financial Corp., Alan R. Cripe of Trailblazer Technologies Inc. argued that the next generation of high-speed trains should be articulated. This cuts down on weight and fuel consumption, primarily because there is only one truck (pair of axles) between each car rather than a truck at both ends of each car and there normally is no switching of cars. Mr. Cripe: "You can watch Amtrak play trains at Union Station all day."

The common objection to the fixed consist is that it cannot be adjusted to different load factors, but Cripe said the French TGV fleet, thanks to variable pricing and good computer capability, maintains admirable load factors--in the high 70% range. Cripe is not a disinterested observer but these facts warrant serious investigation, and the final decision should assume perhaps greater pricing flexibility than we have seen at Amtrak.

Time for Railroad Investment

By ROSS CAPON

One of the best things President Clinton could do for the economy is keep his campaign promise to improve America's passenger trains.

Public enthusiasm for improvements is growing, thanks to press coverage of the Swedish X2000 train running in Amtrak's Northeast corridor through May 10. The German ICE train, which Amtrak will test this fall, should receive similar treatment.

For years, Americans have wondered why we can't have European-quality trains here. Now they see that we can.

Indeed, Amtrak — and Mr. Clinton — will look rather forlorn if the X2000 and ICE sail home with no American follow-up, like U.S. production of high-speed trains that meet U.S. standards for safety and requirements for rapid acceleration.

Ignoring the benefits of better train service would please some, including Air Transport Association President James E. Landry ("The High Cost of Fast Trains," Feb. 3, Opinion). He labeled high-speed rail advocates "special interests" and claimed high-speed rail investments "inevitably" would become "a bottomless pit" and a burden on future generations.

Rather, it is future generations that will suffer the most if the United States struggles along with its embryonic Amtrak system while our major competitors keep refining their already-advanced rail networks.

America's present system comes from earmarking airline ticket taxes to build more airports and most highway taxes to build more roads even where rail could do the job better. The aviation and highway defenders of this system are themselves "special interests."

As for "bottomless pits," then-Transportation Secretary Samuel Skinner in 1989 said, "I think building 20 new airports at a cost of $3 billion to $4 billion — spending $100 billion for airports — is not out of the question."

Yet the public may not allow more airports. Campaigns for Chicago's third and Boston's second airports are floundering, with opponents asking why policy-makers downplay the rail alternative.

The French TGV train, on a per-passenger-mile basis, is three times more energy efficient than a Boeing 737 and causes less air pollution. Even Amtrak's existing system is almost twice as efficient as the airlines, according to Oak Ridge National Laboratory. Environmentally, train travel also results in less noise and water pollution than planes.

Because trains consume far less energy stopping and starting, they are a boon to intermediate points — places like Springfield, Ill., Kalamazoo, Mich. and New Haven, Conn. — that otherwise would have to rely on expensive air commuter flights.

Fast trains that make downtown and suburban stops — and share stations with local transit — reinforce the vitality of the city and its transit system. New airports, by contrast, encourage auto-dependent suburban sprawl, dirty air and energy waste.

Modern trains offer safe, reliable transportation in most types of weather. Fog, snow and thunderstorms often cripple major parts of the air system.

Rail's advantages for shorter trips has even led foreign airlines to use trains for intercity links, listing the trains as flights in the airline's computer. Lufthansa's "flights" from its Frankfurt hub to Bonn, Cologne, Dusseldorf and Stuttgart are trains. Alitalia also has trains linking Rome's Leonardo da Vinci Airport with Florence and Naples.

Moreover, rail investments can be made in stages, with each segment attracting more riders and reducing Amtrak's subsidy needs. The next stage can be postponed if funding constraints require, while the public enjoys the benefits of investments already made. By contrast, multi-billion dollar new airports are useless if not completed.

Consider the Chicago-to-Detroit run, where Amtrak service now takes five hours and 20 minutes. A Michigan Department of Transportation study identified three levels of rail infrastructure improvement, with costs ranging from $111 million to produce four-hour running times (top speed 110 mph) up to $2.3 billion for a two-hour, 45 minute trip.

Even Michigan's high-cost option is less than half the cost Mr. Landry and other rail opponents cite. Their $18 million-a-mile estimate is the most expensive hypothetical rail alternative identified in a recent National Research Council report.

That report's most important statement, however, dealt with rail funding: "To the extent that high-speed ground transport reduces congestion on federally aided airports and highways, it might be appropriate to use some of the federal air ticket or motor fuel tax receipts to subsidize the new service."

Today, Washington gives states no incentive to invest in intercity rail. State officials are reluctant to spend a dollar on rail when the same dollar spent on aviation or highways would bring in maybe five federal dollars.

Washinging should replace its aviation and highway policies with a transportation policy, building on the tiny grade-crossing program in the 1991 highway/transit funding law ($30 million over six years). Congress should reconsider its refusal to enact Senate-passed language that would have allowed the law's surface transportation program to be used for intercity rail passenger projects.

Such a change would also create more jobs. German figures suggest that a given level of infrastructure investment yields about 1.4 jobs in rail and just one job in road construction.

While Amtrak President W. Graham Claytor Jr. was in the spotlight at the Little Rock economic conference, he repeated his support for investing a penny of federal gasoline tax revenue in Amtrak: "We ought to take (the 2.5 cents of the federal gasoline tax going to deficit reduction) right now and put it to work. That would be about $3 billion (a year) right there. We'd like to take a billion dollars of that, and we'd get our national railroad passenger system in first-class shape."

Applause greeted his comments and Mr. Clinton said, "Now that was a good statement."

Mr. Clinton has the opportunity to lead America toward a balanced transportation system. It's time to act.

Ross Capon is executive director of the National Association of Railroad Passengers in Washington.

Attachment I

The Journal of Commerce

February 11, 1993

Attachment II

y. March 11, 1993 The Journal of Commerce

AIR/RAIL/TRUCK

NC Rejection Dramatizes Lack of US Rail Funds

By **RIP WATSON**
Journal of Commerce Staff

A rebuffed funding application from the state of North Carolina to improve train service in a congested, high-profile corridor is spotlighting the lack of federal dollars to back the Clinton administration's oft-repeated pledge to boost intercity passenger rail projects.

The issue surfaced after the state's bid for $9.6 million from the Federal Highway Administration was derailed because the Department of Transportation unit found that the application did not meet its funding criteria.

North Carolina was seeking the funds to improve inter-city passenger service on a rail line between Charlotte and Raleigh. The Federal Railroad Administration picked the corridor as a likely target for future high-speed rail service.

The application requested funding to improve signals, track alignment, train-switching capability and rail-highway crossings.

The state seeks to develop the rail route because of growing highway congestion on I-85 and I-40, which parallels the route where Amtrak offers passenger service.

David King, deputy secretary of the state Department of Transportation, said the FHWA decision "was made narrowly, based on a strict interpretation of the words without reference to the spirit of the Intermodal Surface Transportation Efficiency Act (Istea)."

"We've seen (DOT) Secretary (Federico) Pena quoted as saying that he did not understand why adequate inter-city rail program funding was excluded from Istea," Mr. King noted. "It doesn't make sense to us, either.

"Clearly, the policy of the administration seems to be very supportive of high-speed rail, so it certainly seems sensible to us to have the new administrator (of FHWA) take another look at this," he added.

The FHWA has no administrator, but Mr. Pena has said he expects to announce nominees for DOT modal administrators this week. He has indicated that he will be seeking administrators with a broad, multi-modal perspective.

Programs such as North Carolina's might qualify for funding if the DOT's proposals to spend $936 million on high-speed rail projects over four years become law as part of the Clinton administration's budget package.

The state turned to the FHWA and the Surface Transportation Program portion of the Transportation Funding Act because the only existing funding for inter-city or high-speed rail projects is $5 million in the Federal Railroad Administration's budget. There are 15 applications for that funding, FRA officials said.

North Carolina, working with Amtrak, plans to launch an intrastate rail service this summer known as the Piedmont. The train is meant to complement Amtrak service between Charlotte and Raleigh.

Specifically, North Carolina was seeking $6 million to finance signal improvements on Norfolk Southern's rail line between Charlotte and Raleigh that would have allowed train speeds to increase from 59 to 79 mph.

The state DOT sought $1.3 million for track reconstruction to increase elevation of curves, which also allows for faster operation.

The balance of the funds were to go for new track at Charlotte and Raleigh to turn trains and improvements to electronic circuits that activate warning devices at rail-highway crossings. The FHWA did say the $300,000 for highway crossing improvements was eligible for funding.

The highway agency nixed the program because it determined that the requests were directly related to construction of a rail line. Its policy statements say the funds North Carolina was seeking from a specific portion of Istea can be used only for rail projects such as road realignments, bridge improvements to create higher clearances, drainage, lighting, signage and crossing projects.

The FHWA noted in its policy statements that one part of the Istea stresses the need for an interconnected, intermodal transportation system, but does not provide funding authority or eligibility criteria for programs to create such a system.

Mr. King said the state also considered going to the Federal Transit Administration for funds, but determined that that division of the DOT could not fund the program because it was not a commuter rail project.

"I'm not sure I fault their reasoning," he said. "I fault their outcome. It makes no sense to treat a project like this as commuter rail in order for it to be eligible for funding."

The state feels strongly enough about the Piedmont service that it acquired its own railroad cars and locomotives to operate a westbound morning service from Raleigh and an eastbound evening return trip from Charlotte that mirrors the existing Amtrak service.

Cliff Black, an Amtrak spokesman, said the federally owned passenger railroad has told states that in most cases they would have to furnish new equipment because Amtrak doesn't have enough equipment to support the new services that states seek.

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National Association of Railroad Passengers

IMMEDIATE RELEASE
March 18, 1993

#93-1
Contacts: Ross Capon

Advisory on "High-Tech" Grade Crossing Protection

Sophisticated rail-highway grade-crossing protection devices already in use abroad might have prevented yesterday's tragic accident at Fort Lauderdale. Such devices merit close investigation by U.S. officials. The accident also emphasizes the need for a motorist not to enter a rail crossing until he/she already has enough space ahead to completely clear the tracks. Finally, the accident highlights the contrast between our all-grade-separated Interstate highway system and our rail network, which has only one major all-grade-separated segment--Alexandria-Washington-Philadelphia-New York-New Haven.

Yesterday's accident was on one of the five future high-speed rail passenger corridors then-DOT Secretary Andrew Card identified last year as eligible for funds under Sec. 1010 of the 1991 highway/transit authorization, "ISTEA." "1010" money is limited --$5 million a year nationwide for six years--but states have wide discretion to spend other ISTEA funds on grade crossings.

Some grade crossings must be eliminated. However, considering the number of crossings (about 70 just in the 64 miles between Miami and West Palm Beach), the cost of their elimination ($2-$5 mill. each and up), and the time such an effort would take even if well-funded, it is obvious that U. S. officials should take a closer look at more sophisticated crossing "protection" systems.

One such system was installed in 1990-91 at about 100 grade crossings on the Stockholm-Goteborg route used by the high-speed X2000 trains, one of which Amtrak is now testing on its Northeast Corridor. The total cost of this work was about $80 million, for an average of about $800,000 per crossing. X2000 trains run these crossings at 125-130 mph and there have been no accidents.

The Swedish system has special gates extending the full width of the highways so that motorists cannot drive around them. Moreover, a device tied in with the railroad signal system automatically halts a train if a highway vehicle is trapped between the gates. The vehicle detection and train-stop systems recognize the X2000 and can bring it to a safe stop before the crossing. One variation may merit investigation: strong barriers that would physically prevent motorists who might try to drive through them.

Connecticut and New York have applied for federal demonstration grants under ISTEA Section 1036 to demonstrate improved grade crossing devices.

# # #

Mr. CARR. Thank you very much. We appreciate your coming along and giving us your support.

I think your notion is important that rail improvements should be incremental and we shouldn't be wasting scarce resources on pie-in-the-sky promotional kinds of activities for technologies which may be important for the succeeding generations. We want to hand over society to them in good order with some research and things like that, but I think it is most important to get this Northeast Corridor to be a first-class operation and see what we can do from there.

We await new technical developments to see what we can do to get speeds up in other areas of the country, and while we are doing that, I think it is prudent to make some investment in safety and signaling and grade crossings and a few other things we can do to improve rail efficiencies, both passenger and freight.

Mr. CAPON. Mr. Chairman, I understand in talking to Amtrak that you have raised the same question I did with them, and apparently they are looking at two different kinds of locomotives. One would be dual mode and one would be straight fossil fuel. In other words, they would not plan to drag the electrification part of it around the midwest or the far west.

Mr. CARR. It is clear that more needs to be done. Their own requests for proposals and submissions that they had returned as a result of them indicate that more needs to be done.

But right now, I think the committee is committed to supporting Amtrak throughout the country, but in particular on the Northeast Corridor and see what we can do to make it a first-class operation.

I think you are absolutely right about the X–2000. I think most people once they are in a conveyance, lose the notion of speed. Indeed, if they had too much a notion of speed, they may not want it. These things are not like the Anaconda at Busch Gardens or the Rebel Yell at King's Dominion. That is not why we board these things. The thrill of the speed isn't there. But I think the X–2000 was a very impressive piece of equipment which had a lot of passenger amenities that would be very popular.

Anyway, thank you for being here. We appreciate your support.

Mr. Regula.

Mr. REGULA. No questions.

Mr. CARR. Okay. Thank you.

MONDAY, MARCH 29, 1993.

INTER AMERICAN UNIVERSITY OF PUERTO RICO (IAUPR)

WITNESSES

ESTELA LOPEX, PH.D., VICE PRESIDENT FOR ACADEMIC AFFAIRS, IAUPR
ELEAZAR D. LAMBOY, DIRECTOR, AIRWAY SCIENCE PROGRAM (IAUPR)

Mr. CARR. Our next panel of witnesses will be Dr. Lopez, Vice President for Academic Affairs, the Inter American University of Puerto Rico, and Eleazar D. Lamboy, Director of the Airway Science Program at the Inter American University of Puerto Rico.

Ms. LOPEZ. Thank you. Good afternoon.

I want to thank you for allowing us the opportunity to testify before this subcommittee.

Mr. Carr. We are delighted to have you here. Your statement will be put in the record in full, and we would ask that you summarize.

Ms. Lopez. I wish I could do in Spanish but I will save that for later.

Mr. Carr. I wish I could understand it in Spanish. It is a tragedy that more of us not bilingual, but we are happy that so many are, and particularly the southern regions of our country.

Ms. Lopez. Thank you, sir.

Let me tell you a little about our institution. Inter-American University is a private university that has 42,000 students in Puerto Rico. We are fully accredited. Unlike private universities in the United States, our institution caters to the students who come from the lower-socioeconomic classes, and who are first-generation students.

Ninety percent of our undergraduates receive Pell grants and out of that 90 percent, 70 percent receive maximum awards. You can see from those figures that our institution is providing access to a population that has to be educated.

We have an Airway Science Program that was established in my institution in 1985. It offers four concentrations: Airway science management, airway electronic system, airway computer system, and airway system management. The programs were developed in accordance with FAA regulations and they have been visited on several occasions by the FAA.

The objective of the program is to train professionals in the airways sciences to compete in the fields of airway, to apply for jobs both in commercial and in the government, and to be able to be professional for both sectors, the private and the government sector.

At present, we have an enrollment in our Airway Science Program of 423 students. We have been told this represents 50 percent of all the minority students enrolled in the Airways Sciences Programs of the United States. So we are really providing access to minority students to a profession that we think is very important.

We have also—the institution is very committed that the education they are providing has a technological perspective so they can be professionals who can handle the technology of the 21st Century. In other words, we want to make sure that our students are given the technology, have the access to the new technology that is out there, and can work with their counterparts in other institutions of the United States.

In order to do this, we have committed our university resources to the program and also asked for funding from FAA. In 1987, we were funded for a new building, and the university gave 50 percent of matching grants for that building.

The total cost of the building was close to $2 million. We also received funding for equipment to strengthen our Air Science Program.

Our new five-year development plan wants to strengthen several areas, especially a new program for engine maintenance—I am sorry, aviation maintenance—and also to continue the developments we have already started.

These recommendations have been given to us by the FAA. The money we are asking, which we think it is modest in comparison to funding provided other schools, will be to strengthen these programs and to allow the institution to carry its five-year plan.

We are at present accepting students not only from Puerto Rico but also from other Caribbean islands. We see our institution providing the opportunities to educate, again, the professionals in the airways sciences that will be required for the next decade. And we feel we need the technology and the equipment that will give them the opportunity to be that type of professional that is required in the States.

We believe that the institution has to work with other institutions, and we are preparing a consortium agreement with other aviation institutions with whom we have communicated and visited.

The university is investing in infrastructure so that the Airway Science Program has fiber optics and can communicate through computers and internet with other universities in the States and in the world.

Again, we feel this will be an investment in minds, and to make sure the students have the opportunity to participate in the science of the 21st Century.

Thank you.

[A letter of introduction from the Hon. Romero-Barceló and prepared statement of Dr. Lopez follows:]

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INSULAR AND INTERNATIONAL AFFAIRS

March 29, 1993

Hon. Bob Carr, Chairman
Subcommittee on Transportation Appropriations
2439 Rayburn HOB
Washington, D. C. 20515

Dear Mr. Chairman:

It is my pleasure today to introduce two witnesses from the largest private university in Puerto Rico--the Inter American University of Puerto Rico (IAU), which offers undergraduate, graduate and professional programs to approximately 42,500 students annually.

Estela Lopez, Ph.D., Vice President for Academic Affairs and Eleasar D. Lamboy, Director, Airway Science Program, will briefly describe one of the University's newest programs: the Airway Science Program. Established in 1985, this program is designed to provide students with an adequate balance of science, technology and humanities education to enable them to work in the aviation field. Located on Intar American University's Bayamon Campus, the program offers education in four specialization areas approved by the Federal Aviation Administration (FAA).

The University established and operates the Airway Science Program primarily through tuition revenue and private contribution. This has not, however, allowed the program to secure all the equipment necessary to ensure the quality education and experience necessary to successfully compete with the aviation industry. This, and other University programs, play an important role in providing educational opportunities to the Island's low-income households. With an unemployment rate of over 17%, the type of quality education we provide can ensure a productive future for many students and thus assist inthe social and economic development of the Island.

I hope you will favorably consider Inter American University's request, as this will go a long way in furthering the University's plans to expand and improve upon the much-needed Airway Science Program. Thank you.

Sincerely,

Carlos Romero-Barcelo

Carlos Romero-Barcelo

Inter American University of Puerto Rico

TESTIMONY

Estela López, Ph.D.
Vice President for Academic Affairs
Inter American University of Puerto Rico - Airway Science Program
Before The
House Appropriations Subcommittee on Transportation

March 29, 1993

The Inter American University of Puerto Rico (IAUPR) and its Airway Science Program consider it a privilege to present testimony to the Transportation Appropriations Subcommittee and greatly appreciate the opportunity to discuss with you the strides our University is making in the aviation education field. My name is Estela López, Vice President for Academic Affairs at IAUPR, and I am accompanied by the Director of our Airway Science Program, Eleazar D. Lamboy.

According to FAA Aviation Forecasts Report, aviation activities are expected to grow dramatically in the next ten years; aviation will continue to dominate all other transportation modes in the commercial intercity passenger market; and regional/commuter aircraft activity and the business use of general aviation are projected to experience growth. With the modernization of the National Airspace System, as well as the application of new computer technologies, air traffic controllers and new digital electronics personnel will require new and additional training. IAUPR is in a position to respond to these trends and national needs and to prepare people with essential skills for the safe functioning and managing of aviation operations and systems for future generations.

Inter American University of Puerto Rico

IAUPR is the largest private university in Puerto Rico and the second largest in the Western hemisphere, offering undergraduate, graduate and professional

Office of the President

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programs to approximately 42,500 students annually. Over 4,000 degrees, ranging from associate degrees to the professional and doctoral levels, are granted each year.

With nine campuses on the Island, IAUPR is geared toward the development of programs and services directly related to job opportunities and human resources needs in both the public and private sectors, as well as the provision of a well rounded liberal education stressing high level intellectual skills. As part of the University's commitment to enhance the educational opportunities for Hispanic students, it has established associations with over seventeen leading Colleges and Universities in the U.S., Europe and the Caribbean.

The University maintains its responsiveness to the evolving educational needs of society, adjusting its academic programs to match its own particular mission and the needs of the surrounding communities. The University's tradition of community service, the geographical location of its instructional units and its unwavering attention to student needs make it especially attractive and accessible to students of limited economic means.

Airway Science Program

Established in 1985, the Airway Science Program, with its state-of-the-art instructional equipment and facilities, is designed to better prepare young men and women for critical administrative, technical and management positions in the aviation industry. Located on IAUPR's Bayamon Campus, the program offers Bachelor of Science degrees in four specialization areas approved by the Federal Aviation Administration (FAA): 1) Airway Science Management; 2) Airway Electronic Systems; 3) Airway Computer Science, and 4) Aircraft Systems Management. Our new facility at the Isla Grande Airport provides seven classrooms, a conference room, computer and electronics laboratories, a meteorology laboratory, and flight and air traffic control simulation laboratories. It also includes a propulsion laboratory (engines), aviation electronic equipment laboratory, avionics, aircraft structures and hydraulic systems. A hangar of 10,000 square feet for aircraft maintenance is also part of the facilities. Since 1990, access to all IAUPR system libraries is made possible through 9 computer terminals, which are served by an on-line DOBIS/LEUVEN system connected to the Technical Processing Center located at the Metropolitan Campus.

During the last four years, we have developed competent aviation professionals to occupy technical and administrative positions with the Federal Aviation Administration (FAA), American Airlines and American Eagle; developed effective teaching methods and courses (approved by the FAA), particularly for the Flight Program; provided continuing education programs and workshops on aerospace education and flight safety to professors, flight instructors, and pilots; and received FAA approval for the ground school courses and certification for the Pilot Ground School.

The strengths of our aviation program are many: an experienced faculty, a rigorous curriculum, and a demonstrated competence in the teaching of critically needed professionals. The Airway Science Program meets the national need by educating students in math, science, and computer technology; preparing qualified teachers to teach Aviation and Avionics to meet the needs of colleges, universities and high schools; providing opportunities for disadvantaged students; and creating life-long learning opportunities.

As we mentioned, the demand for highly trained air, ground, space, management and technical personnel in the aviation industries is continuing to grow. Specialized programs such as ours will serve as the foundation for educating the highly skilled human resources necessary to maintain our historical position as the world's leader in aviation and aviation-related industries.

Our Commitment to the Community

Access to education is a major issue in our society especially in the environment of rising costs and the reversal of federal and state revenues to private colleges and universities. IAUPR's mission is to provide access and opportunity to higher education to all individuals, thereby, assuring that the cultural diversity of its student body compares to that of the nation. Clearly, disadvantaged students need access to aviation education. Moreover, the community as a whole needs the University to provide both access and success of all segments of the population, as well as to underscore the many career opportunities in aviation, transportation and related fields.

Virtually all Inter American University students are Hispanic-American residents of Puerto Rico who belong to low income households. A majority of the parents of Pell Grant recipients (over 80%) can only pay between 2.4% and 12% of the $4,170 Pell Grant average cost. The unemployment rate of 16 to 24 year olds on the Island is 30.4%. Although additional student aid is necessary, IAUPR's outstanding record of providing scholarships, federal- and state-funded financial assistance programs (grants and loans) and a wide array of academic programs has enabled this segment of the population to receive a substantive and meaningful education and will certainly make a difference to our nation and region.

In addition to its direct educational contributions, IAUPR has contributed to the economic productivity, social capability and progress of the Puerto Rican community. IAUPR's activity has generated approximately 5,700 jobs for the Puerto Rican economy over the last five years, including jobs in operations (faculty and non-faculty), construction, and the external employment market. The University also owns lands and buildings valued at $124.6 million which, if used as collateral, are potentially available to help finance economic enterprises.

Looking to the Future - Maintaining and Meeting Additional Program Needs

As with most private intitutions, the most pressing financial problem faced by the University is its high dependency on tuition-based income. The direction the University will follow depends upon its ability to curtail this high dependency and to diversify its revenue base so that it may have sufficient funds for continued growth. Another concern is the tremendous increase in operational costs that result from rising inflation, high competition, and new federal regulations. With respect to the Airway Science Program, these rising costs could have a significant impact on our future plans, which include:

- Creating and developing methods of scientific investigation in the field of aviation with the purpose of improving safety and a better administration of aviation enterprises;
- Developing a program towards the Master's Degree in Airway Science Management;

- Developing a school of aeronautics in order to provide training and flight instruction; and

- Designing a new Aviation Maintenance Technology Program.

Outside of a 1987 FAA grant for construction needs, IAUPR has wholly funded, through tuition revenue and private contributions, the establishment and operation of its Airway Science Program, including the construction of its facilities, the purchase of equipment and educational materials, and the financing of operating and personnel costs, to name a few. Our exceptional collection of technical and specialized programs are costly and require substantial investments in equipment and laboratories. Furthermore, the development of new technologies requires frequent equipment enhancement in order to familiarize students with the latest technological advancements. In order to ensure that students are receiving the education necessary to successfully contribute to the aviation industry, some federal assistance is needed. For FY 1994, the University needs approximately $1,610,000 to purchase flight training, classroom and aircraft maintenance equipment, and equipment for our Aviation Electronics Laboratory (see attached list for a breakdown of specific equipment needs). The University is committed to make the financial contribution necessary to meet our local match. This much needed equipment will enable us to maintain, as well as expand upon, our aviation education program in an efficient and effective manner. It will also enable us to continue our current curriculum and training, while at the same time pursue our future expansion needs.

Conclusion

IAUPR has the ability to respond to the national need and to identify elements in training and education that are essential to the safe functioning of the airspace industry system today and in the future. As we continue our mission in these areas, we realize that the future success and growth of our program cannot be accomplished independently. By assisting IAUPR, you would create a partnership between the federal government, the University, and the aviation industry to continue viable career paths to fill a well documented manpower need, as well as assist the nation in meeting the aviation challenges of the 21st century. Your

$1,610,000 investment for our equipment needs will go far in improving the aviation education available in Puerto Rico, and will enable us to undertake our other expansion efforts in a timely manner. The IAUPR Airway Science Program provides the opportunity to take a reasonable, practical and cost effective approach to addressing our growing aviation needs. In addition, IAUPR will be able to continue to address the economic and social needs of a significantly disadvantaged community.

Equipment and Materials Needed for Program Development of the School of Aeronautics - Inter American University of Puerto Rico

Flight Training Equipment

3 sets of video casettes for training	$ 4,000.00
Instructors training equipment and supplies	3,000.00
Instructors Continued Education Program	5,000.00
1 Turbine Flight Simulator (Frasca 242-T)	500,000.00

Aircraft Maintenance Equipment

1 set of jacks of accessories	3,000.00
Non-destructive inspection equipment	5,000.00
Aircraft weight and balance equipment	4,000.00
1 Ground power unit	4,000.00
1 Tow tractor small (Kugota)	4,000.00
Aircraft Maintenance support spare parts and equipment	60,000.00
2 Spare aircraft engines (overhaul)	30,000.00
1 Fueling Vehicle (truck)	35,000.00
1 passenger van	25,000.00

Aircraft Maintenance Technology Program

Classroom materials and equipment for training	25,000.00
Training devices (hydraulic, electrical, powerplant systems)	200,000.00
Machines and tools for shops	200,000.00
Turbines (for training)	60,000.00
Reciprocating engines (for training)	30,000.00
Laboratory equipment (tables, chairs, cabinets, etc.)	25,000.00
Materials for training (sheet metal, plastics paints, etc.)	20,000.00
Hangar equipment and materials (stands, dolleys, etc.)	30,000.00
Uniforms and related supplies	5,000.00
Test cell and storage room for testing turbines and reciprocating engines	20,000.00

Aviation Electronics Laboratory (Avionics)

Testing trouble-shooting and calibrating equipment	200,000.00
Aircraft avionics equipment for training purposes	80,000.00

Classroom Equipment

10 PC Computers	$ 30,000.00
4 monitor video combination and carts	3,000.00
TOTAL	$1,610,000.00

Mr. CARR. Thank you for being with us.

I don't have any questions.

Mr. Regula?

Mr. REGULA. Mr. Chairman, I would be interested in a little more precise definition of airway science. What do you teach and what are the students who graduate from this qualified to do?

Ms. LOPEZ. We offer a bachelor's degree. In that bachelor's degree we have four concentrations. The Airway Science Management that trains students to be either administrators for government or within the government, with the FAA, or also with private industry, such as American Airlines, and so forth. We have airway electronic system, and airway computer system, and finally the aircraft system management, which is training of pilots.

Our students, we have already graduated approximately 42 students, and half of those are working in the—what we call the main line within the United States, and we have approximately 10 alumni working with the FAA in Puerto Rico.

Again, we are providing access to other students from the Caribbean to come and train and later work within their islands and South America.

Mr. REGULA. Thank you.

Mr. CARR. Thank you very much. We appreciate your being here.

Ms. LOPEZ. Muchas gracias.

MONDAY, MARCH 29, 1993.

AMERICAN COALITION FOR TRAFFIC SAFETY, INC (ACTS)

WITNESS

PHIL HASELTINE, PRESIDENT, AMERICAN COALITION FOR TRAFFIC SAFETY, INC.

Mr. CARR. Our next witness will be from the American Coalition for Traffic Safety, Phil Haseltine.

Thank you for being here.

Mr. HASELTINE. Thank you, Mr. Chairman.

Mr. CARR. Nice tie.

Mr. HASELTINE. Thank you.

Yours as well. In combination with the shirt, it is particularly nice.

The subcommittee has a distinguished record in supporting highway safety programs. I am pleased to have the opportunity to continue to work with it under your able leadership, Mr. Chairman.

You have my statement. I know it is going into the record.

Mr. CARR. Absolutely.

Mr. HASELTINE. I don't want to go into the detail about the number of traffic fatalities we have been experiencing. I suspect everybody who comes before you from NHTSA mentions those numbers. I think they have been declining steadily in the last four years and the longer-term trend has been even more positive. Increased safety-belt use and reduced alcohol involvement in crashes has been major factors in achieving those fatality reductions.

Most importantly, even more lives can be saved in the future. Increasing numbers of air bags and anti-lock brakes along with other vehicle safety improvements will help, but we need to do more in the safety area, if the downward trend is to continue.

As you know, the fight to reduce the fatalities and injuries on our highways is always made more difficult by the fact that vehicle miles traveled increase each year.

Our progress to date is simply not good enough. If Canadian provinces can achieve belt use levels in excess of 90 percent, our States ought to be able to do that as well.

I was pleased the other day to hear Transportation Secretary Pena announce a goal of 75 percent safety-belt use by 1996. I think that is a good start.

Congress and the subcommittee can do several things. Section 153 of the ISTEA provides powerful incentives for States to enact an effective enforcement for seat belt use and motorcycle helmet laws. I have been on both sides of the attempt to force enforcement by withholding highway funds.

I think this was a carfully crafted piece of legislation that stops short of doing that. It will result in higher safety-belt and motorcycle helmet use.

I urge you—and I understand there are bills active in the Congress to weaken or modify those, and I urge you and the Members of the subcommittee to strongly resist any such efforts to either repeal or weaken this lifesaving measure.

Many of our most effective safety programs originate at the State and local levels, using funding provided through the Section 402 State Community Highway Safety Program. I would urge the subcommittee to fund this program at the authorized levels of $140 million for NHTSA, $20 million for the Federal Highway Administration component of it.

Finally, I want to add when one looks at all of NHTSA's programs, some more effective than others, its protection program encouraging belt use is among its most effective efforts.

I would ask you do everything within your power to promote this program and to use the power of the subcommittee help keep it on track.

That concludes my statement, Mr. Chairman.

[The prepared statement of Mr. Haseltine follows:]

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TRAFFIC
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TESTIMONY OF PHILIP W. HASELTINE
PRESIDENT
AMERICAN COALITION FOR TRAFFIC SAFETY, INC.
BEFORE THE TRANSPORTATION SUBCOMMITTEE
COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES
MARCH 29, 1993

Mr. Chairman and members of the subcommittee, I am Phil Haseltine, president of the American Coalition for Traffic Safety (ACTS). I very much appreciate the opportunity to testify before the subcommittee as you develop Fiscal Year 1994 funding levels for the National Highway Traffic Safety Administration (NHTSA).

Two years ago I testified before this subcommittee and outlined the progress in highway safety during the decade of the 1980s. I noted that traffic fatalities, which averaged over 51,000 at the start of the decade, dropped to 45,555 by 1989. I pointed out that NHTSA, at the start of the decade, was forecasting 70,000 annual highway deaths by 1990. And, I suggested what I thought to be a very bold objective of reducing annual fatalities to fewer than 40,000 by the year 2000.

NHTSA's preliminary estimates for 1992 indicate that 39,500 people died in traffic crashes. So much for my bold objective setting. Given the continuing downward trend in fatalities, a year 2000 objective in the range of 30,000 annual fatalities appears more realistic. A chart depicting the dramatic drop in fatalities and fatality rates is attached to my statement.

How did these dramatic improvements come about? Increased safety-belt use is, perhaps, the greatest single factor. Forty three states have enacted belt-use laws since 1984 and belt use has increased from 13 to 62 percent.

Many other factors have also been important contributors to the lower number of fatalities and injuries. Alcohol involvement in crashes is down and drunk driving is no longer socially accepted behavior. Transporting young children in child safety seats has become the norm. Motor vehicles are increasingly safer. Safety features such as airbags and antilock brakes will save even more lives in the future.

But, we must do more in the future if we expect the number of fatalities to decline further. And, we can. Other countries enjoy significantly higher belt use levels than we do in the United States. Belt use in Canada, for example, is 85 percent and the Canadian government has an announced goal of 95 percent use by 1995.

ACTS

We at ACTS are working to get jurisdictions in this country to emulate Canada's successful programs. To that end, ACTS recently co-sponsored with NHTSA our second National Leadership Conference on Increasing Safety Belt Use in the U.S. The conferees identified 23 specific long term recommendations for increasing belt use. Among these recommendations are strengthening state belt-use laws and adopting the enforcement strategies used in Canada.

At the recent Lifesavers 11 conference in Chicago, Transportation Secretary Federico Peña announced a new national objective of 75 percent belt use by 1996. This commitment by the new administration is most encouraging.

Congress has also been doing its part to increase safety-belt use. Sec. 153 of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) provides powerful incentives to the states to adopt and effectively enforce safety-belt use and motorcycle helmet laws. Included is a mix of grants to states having effective belt use and helmet laws, and diversions of highway funds to safety programs for states which do not. This carefully crafted section has the potential to save additional lives on our highways.

Congress now has before it proposals to repeal Sec. 153. I urge the members of the subcommittee to oppose any effort to repeal or weaken Sec. 153. The eleven hundred attendees at the Lifesavers 11 conference passed a resolution in support of Sec. 153. A copy of that resolution is attached to my statement and I respectfully request that this resolution be included in the hearing record.

Most of the progress we have seen in highway safety is the result of programs which are implemented at the state and local levels. The Sec. 402 State and Community Highway Safety Program funding administered by NHTSA and the Federal Highway Administration is vital to these efforts. My experience as the governor's highway safety representative in Michigan, as a senior official at the Department of Transportation and, now, as a private-sector safety official; has shown me the value of this important ingredient in the drive to ensure continued reductions in highway fatalities.

Mr. Chairman, this subcommittee has traditionally played an important role in making America's highways safer. I am confident that this trend will continue under your able leadership. I appreciate the opportunity to testify and would be pleased to respond to any questions that you or other members of the subcommittee may have. Thank you.

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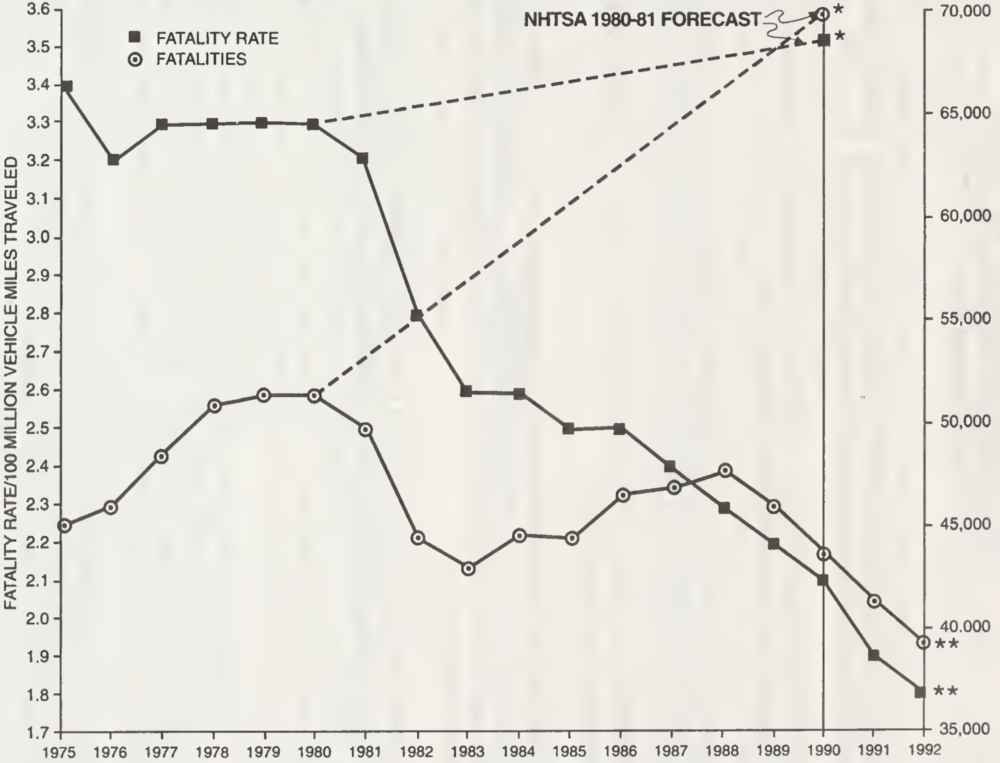
HIGHWAY FATALITIES AND RATES



*1990 ESTIMATES ARE NHTSA PROJECTIONS MADE IN 1980-81
**1992 PRELIMINARY ESTIMATES

RESOLUTION ON SECTION 153
AT LIFESAVERS 11
MARCH 15, 1993

WHEREAS, approximately 40,000 people are killed and millions injured annually in motor vehicle crashes in the United States; and

WHEREAS, thousands of these deaths and injuries could be prevented by the use of safety belts and motorcycle helmets; and

WHEREAS, state safety belt and all-rider motorcycle helmet use laws are the most effective means to get people to buckle up and to wear helmets; and

WHEREAS, taxpayers pay a large percentage of the cost of motor vehicle crash deaths and injuries; and

WHEREAS, the recent federal surface transportation law -- the Intermodal Surface Transportation Efficiency Act (ISTEA) -- included provisions to encourage states to enact safety belt and all-rider motorcycle helmet use laws, known as Section 153,

THEREFORE, the LIFESAVERS 11 Conference hereby resolves to endorse Section 153 and to oppose efforts to weaken or repeal these provisions.

Mr. Carr. Thank you, Mr. Haseltine.

You were in the room when I asked Mr. Teether about the question about the NTSB recommendations. Have you had a chance to look at them?

Mr. Haseltine. I think the administrative license should be adopted by all of the States, I think we have them in 37 or 38 now. The notion of zero or no alcohol consumption for young teenage drivers makes a lot of sense to me.

Many of us, even as old as me, can remember when we were teenagers. I think it is time we dealt with that issue. The notion of curfews kind of approaches the line in terms of what may be acceptable or what may not be acceptable. But it is clear to me the combination of young, inexperienced drivers, inexperienced both in driving and dealing responsibly with beverage alcohol, particularly driving at night, that is a very bad combination, and we need to do something about, it sir.

Mr. Carr. Thank you very much.

Mr. Wolf?

Mr. Wolf. I defer to Mr. Regula.

Mr. Carr. You were here this morning.

Mr. Wolf. Yes, I was.

I thank you, Mr. Chairman.

I have a couple of questions.

On the teenage drivers, what would you recommend?

I agree with you, and I just wanted to try and draw you out. We are contacting Senator Danforth's office. He has some positive legislation that would not be an incentive program rather than sanctions. There was a tragic accident in my congressional district over the weekend, and I know the family.

What can we do? What do you think, with your experience?

Mr. Haseltine. Sadly, none of the kids were belted. Their injuries, no doubt, would have been mitigated somewhat if they had been belted. From what I read in the newspapers, there was alcohol involvement.

If that is the case, it may well have contributed to the crash. There was apparently some poor judgment exercised by the driver in terms of the speed, the manner which the vehicle was being driven.

I think it is a classic case of youngsters without a lot of experience in any of these areas. Any of several things could have prevented the injuries, but there were too many possible things to go wrong.

Again, think tougher enforcement of our 21 year old drinking laws. These kids were all below the legal drinking age.

If they are 16 or 17 year olds, I think drivers licences, and this is a State not a Federal matter, but drivers licences for probably the first year should be limited to daytime use only. States do that on a individual basis for older drivers.

Mr. Wolf. When they grant the license, it is just for daytime driving?

Mr. Haseltine. I am not sure any State does that. Some of them on their temporary permits do.

I will provide a list.

Mr. Wolf. If you would just look at this issue from your background, and see what we can do. I thought Mike Barnes did a very constructive thing years ago. I made a comment that he will never know all the families he kept from experiencing the pain and suffering when he raised the drinking age to 21.

If you could look at it from both punitive and positive approaches I would appreciate it.

Mr. Wolf. What is your feeling about prohibiting the use of radar detectors in trucks? I know some trucks go over 65 miles an hour, particularly on Route 81——

Mr. Haseltine. He have seen one or two myself.

Mr. Wolf. How do you feel about banning radar detectors in trucks, or if you had to narrow it down, prohibiting radar detectors in trucks carrying hazardous materials?

Mr. Haseltine. I see no positive benefit of radar detectors in trucks, period. While my organization hasn't taken a position, I personally feel very comfortable with banning radar detectors in all commercial vehicles.

Mr. Wolf. You would favor that?

Mr. Haseltine. Yes.

Mr. Carr. Mr. Regula?

Mr. Regula. Would you ban them in all vehicles?

I don't have one, so I am asking.

Mr. Haseltine. I don't have one either, by the way. I don't have a position on that, I guess. I think banning them in trucks makes sense. There are a whole range of economic reasons why—we are putting industries out of business on the one hand. On the other hand, we have got one set of technology overcoming another set of technology.

I wonder how many resources we have wasted. We got first radar, than radar detectors. Now law enforcement is using laser speed detectors. And there are laser speed measuring devices.

There are new detectors for those. There are radar detectors. Where does it stop?

It is an interesting industry that we have created. Clearly, I don't see any positive need for anybody to have a radar detector.

I am not sure that, as one of somewhat conservative philosophical background, that I want to push banning them for the entire population at this point. Regulated carriers in interstate commerce, that is something else, and most particularly for hazardous material haulers.

Mr. Carr. Give me your thoughts on driver training.

Mr. Haseltine. Driver training—I think it does a good job of teaching skills. The reason I got into traffic safety in 1970 was I did an independent study course in my senior year in economics in Michigan State and my professor said you could do it on two topics, either the salmon or the introduction of driver education.

I think driver education has gone downhill in this country with respect to the resources that local school districts put into it. There are some good reasons behind that that have everything to do with the overall problems in our education system.

But in 30 hours in classroom and six hours behind the wheel, I don't think we can expect driver training to teach youngsters values and the ability to make sound judgments that are necessary for them too avoid crashes and successfully drive an automobile. You can in those 36 hours certainly teach them the basic skills needed, and at least make them aware of some of the issues involved with buckling up, with drinking and driving in combination with using drugs and driving.

But I think there is a place for driver education. I don't think we can assume that if a kid has had the best driver education class in the world, he or she is always going to go out and be a safe driver. There is still something about the maturation process, and that has to come from the home, from the family, their entire environment.

Mr. CARR. You have a very nice chart in here, incidentally. We appreciate your giving it to us.

What do you think is the acceptable level of highway fatalities? I know it is not sort of politically correct to talk about any level, any death being politically acceptable. However, this committee has to deal with resources, and it seems to me that at some point we could chart that a certain level of funding is optimal, and to get to higher levels of safety we might have to expend extraordinary amounts of money to get a very marginal output.

Where do we declare—not victory, but where do we declare that we have hit the optimal cost-to-benefit ratio so that we don't end up tripping over into wasting money in safety in ways where the additional dollar has maybe no or even negative marginal utility?

Can you give us——

Mr. HASELTINE. Let me start with an achievable—

Mr. CARR. Is it 35, is it 30?

Mr. HASELTINE. I think by the end of this decade that a target of somewhere in the range of 30,000 fatalities per year is very achievable. And I would think that we will be enough smarter seven years from now than we are today, that we will figure out how to make additional gains beyond that.

I think most of the improvement that we are going to make from now until then, if we could go from the 39,500 tentative in 1982, down to 30,000 in the section seven years, that is just tremendous on the one hand. On the other hand, while what this committee and what Congress does is important, I don't think huge increases in highway safety funding, quite frankly, would accelerate that process.

I think we are going to go from 39,000 to close to 30,000, because we are going to have air bags, anti-lock brakes and all the improvements we are now seeing in the new car fleet, the new cars being sold today, but in another seven years from now we are going to have gotten rid of a lot of the old clunkers that don't have the new technologies.

We are going to see increasing use of seat belts in this country. I think we are going to see further improvements in drunk driving. But most improvement on the law enforcement side isn't so much an issue of throwing additional dollars at it out of the Congress. It may take more cops at the local level. But it may take attention to enforcing the traffic laws we have got on the books.

Some of that takes additional law enforcement resources which are strapped. That is primarily a local funding problem, not yours. And some of it is just using our resources more wisely and smarter, paying more attention to the traffic enforcement function.

Law enforcement in general, if they—cops like to make felony busts and that is terrific, and we should, we have got a lot of major crime problems. In terms of the impact on a resident of a community, they can probably have greater impact by strictly enforcing traffic laws, whether it be speed laws, belt laws, drunk driving laws, three of which may have prevented the tragedy we had in your district over the weekend, Mr. Wolf.

Mr. HASELTINE. And that doesn't take additional money from here.

So I think the programs, plus with the funding support, the 402 program, the Section 153, a couple of the others, the kinds of efforts, research efforts, within NHTSA, I think those are important. But I am not one, today nor ever, to come and say, if only you could double those, I think we would save a lot of lives. I think we would not. And there have been some things that have been done at that agency in the past that they are not doing now.

And I certainly would not suggest reinstituting, research vehicle, safety programs, those kinds of things that I think can be handled better by the world's auto manufacturers.

Mr. CARR. Does the council have a position on the issue of onboard vapor recovery?

Mr. HASELTINE. We do. We feel very strongly that, with any of the technologies that we have seen to date, on board vapor recovery canisters pose a threat and will likely result in increased fatalities due to increased fires.

There is no question in my mind that we are going to see more vehicle fires with vapor recovery canisters and that, consequently, people are going to be burned and injured as a result. I strongly favor stage-two recovery at the gasoline station.

Mr. CARR. Thank you for that testimony.

Mr. Wolf.

Mr. WOLF. How do we compare with other nations? I know we probably drive more. So if you looked at all those factors, how do we compare with Germany, Japan, France?

Mr. HASELTINE. If we look at the mileage death rate, the number of fatalities per hundred million vehicle miles traveled, we are the best in the world.

Now, there are a lot of reasons for that. In Europe, for example, a lot higher percentage of the driving is urbanized, very highly congested. In Australia, they do some things better; but their roadway system is not nearly as well developed as ours. So by that comparison—and I think fatalities per population comparison—we do well also.

There are other countries that do better than us in some components. Scandinavia is, far better in drunk driving. Most of the rest of the world does far better in belt use: 85 percent in Canada, 90 percent in the U.K., Australia and much of Europe.

Mr. WOLF. Did it take them as long as it has taken us on belt use? Did they start earlier so they are doing better?

Mr. HASELTINE. They started before we did.

Mr. WOLF. So are we following the curve, if you will?

Mr. HASELTINE. We are. A lot of what we are doing in this country right now is following, basically, the Canadian model; and it is working well. We just put out a new brochure, which I will send you copies of on that specific aspect.

Mr. Wolf. Thank you very much.

Thank you, Mr. Chairman.

Mr. Carr. Thank, Mr. Haseltine

Monday, March 29, 1993.

AIRPORTS COUNCIL INTERNATIONAL, NORTH AMERICA (ACI-NA)
AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES (AAAE)

WITNESSES

GEORGE P. HOWARD, PRESIDENT, AIRPORTS COUNCIL INTERNATIONAL, NORTH AMERICA

SIEGBERT PORITZKY

Mr. Carr. Our next—what I would like to do with the permission of Mr. Wolf is if we could handle the next five all at one time. Would that offend anybody? Does anybody not like one another; wouldn't want to sit next to one another at the witness table?

Why don't we have Mr. Howard, Mr. Fleming, Mr. Ryan, Mr. Brown, Mr. Bellino, and Mr. Johannssen, all gather around the table. This is a very nice time. Given that you are all intimately interested in the aviation system of America, I would like to invite you to give us the best of your views.

We have your statements. They will all be made part of the record in full. Most of you are known to the committee and have been helpful to us in the past. I appreciate the time and energy you have given to making us a smarter committee.

I am going to start off in the order that they are on my list, if that is all right with you.

Mr. Howard, why don't you start out first.

Mr. Howard. Thank you, Mr. Chairman.

Mr. Carr. Making your second appearance here in about two months.

Mr. Howard. Okay. I have with me my esteemed colleague, Mr. Poritzky, our Senior Vice President of Technical Services, in case anybody wants to get very technical.

Mr. Carr. All right.

Mr. Howard. I would like to start off simply by saying that I am here representing the Airports Council International, as well as the American Association of Airport Executives. I am President of the former organization.

We, as everybody else in this business, are vitally concerned about the state of the airlines. Our community airports certainly are vitally linked to the success of the airlines. We are very much looking at our costs these days. We are also looking at—and we think the airlines are still looking at—what has to be fixed about this system.

Delays are still increasing. They amount to billions of dollars of losses for the airlines each year. And it is not just an air-side problem, but it is still a land-side problem. Congestion and delay are certainly rampant in many of the Nation's important airports. And

I think, generally, we can all concede that there has been an inadequate investment in the infrastructure, that we have appraised, on a couple of occasions very recently, through capital needs surveys—and you may know that they have come up consistently with about a $10 billion a year needs requirement.

Now, that people argue with. But I will tell you, even if it were half of that, we would still have inadequate funding sources, including our new source: the passenger facility charge, which we are very much relying on for future investment in the infrastructure system.

So today we are asking for an AIP, Airport Improvement Program, of $2.2 billion compared to last year's authorization of $2.05 billion.

A lot has been said recently about escalating airport costs, and I would just like to make a couple of points on that.

Airport costs, as a percentage of total airline operating costs, have been very stable over the years, stable at about 4 percent of total airline operating costs. There have been increases in the last few years. And most of these increases, we are quite sure of, have come from—primarily from projects which the airlines have approved, from the building of hubs, from Federal mandates, and from just catching up with the outmoded infrastructure.

I have a paper on airline costs which we have—which we would like to submit at this time.

Mr. CARR. We will take it as part of the record.

[The information follows:]

NORTH AMERICA ACI
AIRPORTS COUNCIL INTERNATIONAL

Airport Costs
and the
U.S. Airline Industry

A background paper on the relationship between airports, airlines, competition and economic growth.

ACI-NA, 1220 19th Street N.W., Suite 200, Washington, D.C. 20036, (202) 293-8500

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I. EXECUTIVE SUMMARY

The Close Relationship Between Airports and Airlines

Airports and airlines are indispensable to each other. The travellers and shippers in the community which the airport serves are also the customers of the airlines that provide air service to the community. The economic benefits of airline service to communities are well recognized.

Because airlines compete for the business of these passengers and shippers, and because each airline views its priorities and interests at a particular airport in a different way, the airport operator must exercise balanced judgment, in the public interest, in establishing airport policy and entering into agreements.

Airport/airline relationships are structured and controlled in a variety of ways, each of which is unique to the governmental, operational, and financial circumstances of each airport. Airport operators promulgate regulations controlling the use of the airport, as well as the fees and charges to be collected in the absence of a contract.

Through sound financial management and efficient operation, airports have maintained a sound financial position. That position, as well as the broader benefits of air transportation to the community, are jeopardized by the current financial difficulties of the airline industry.

Airport Costs

The costs of operating, maintaining and developing airports are much like the costs incurred by other public transportation facilities. Airport operators seek to recover these costs from the variety of airport users and tenants. All airports, large and small, try to operate as financially self-sufficient enterprises and to avoid tax subsidy if at all possible.

The cost structure of each airport is unique, depending on a variety of factors. Airports are capital intensive, and the capital costs incurred to provide needed facilities tend to be the major fixed cost. The magnitude of an airport's costs will also vary with each situation. In most cases, major capital development programs are in direct response to airline requests or requirements for capacity expansion or enhancement.

Typically, each airline pays for its share of the cost of airport facilities and services. Each airline's cost of operating at an airport will differ, depending on the size and nature of its operation, and the facilities it uses or leases. An airline with significant operations at an airport will usually lease extensive facilities, which are often constructed by the airport operator at the request of the airline.

Airports are obliged to comply with federal requirements that protect airlines against unreasonable or discriminatory airport charges and that recognize the goal of economic self-sufficiency. Federal law allows public airports considerable flexibility regarding the ratemaking methodology, so long as the resulting rates and charges are reasonable.

Airline Costs

The demand for air transportation has grown remarkably under deregulation, and U.S. airlines have grown to meet that demand. The cost to the airlines of meeting that demand has also grown, with airlines paying for more aircraft, more personnel, more fuel, more materials, and more facilities. In recent years, the cost of commissions to travel agents has risen faster than any other airline expense, and now is only exceeded by salaries and fuel as airlines' largest cost area.

The relative proportion of the various airline cost elements has fluctuated over the years in response to factors both internal and external to the airlines. The proportion of an airline's total costs for its use and lease of airport facilities and services, compared to its total costs or other cost elements, has remained relatively small and stable. The unit cost to airlines, after accounting for inflation, traffic growth, airline requested projects, and operating efficiencies, for their use of airports, has also been exceptionally stable over the years, and particularly when viewed in comparison to other airline costs.

The air transportation industry will continue to need expanded and enhanced airport and airway capacity to resolve delay problems due to current peak traffic, and to accommodate future capacity needs when traffic demand grows.

The U.S. airline industry has lost $8 billion in the last 3 years, with many airlines seeking bankruptcy protection, reorganization or dissolution. Numerous factors, some external to the industry and others tied to airline management decisions, have contributed to the poor state of the industry. Airport costs are not responsible for the financial deterioration of the airline industry.

The Airport Contribution to Airline Competition and Growth

Without airport facilities and capacity to provide for new entry and future growth, airline delay costs will increase, and the prospects for competition and growth will be significantly hampered.

Airport operators and airlines will not always agree on the need for, or scope or timing of a particular airport development project or program. Often, the individual tenant airlines at an airport will not agree among themselves about development priorities. This is understandable, since they are competitors and each has its individual corporate strategies and preferences.

This is precisely why the federal Airport Improvement Program and Passenger

Facility Charges are required. Airport operators are the public bodies entrusted with developing the infrastructure serving all elements of the air transportation system. AIP grants and PFC programs enable them to proceed with needed development without first obtaining approvals from competing and diverse airline companies.

Some airlines have proposed that connecting passengers should be exempted from paying PFCs, or that airports should have the option of exempting connecting passengers from PFC collections. They claim that a $3 PFC at a hub airport will drive passengers away from their service over that hub. Travellers base their decisions on which airline to fly on many considerations: fare, schedule, itinerary, service quality, frequent flyer programs, aircraft equipment, airport preference, etc. These decisions are not based on whether an airport is collecting a PFC. In fact, when fares are of primary importance, the differential between a fare with a connecting hub PFC, and the same fare without a PFC being added, is on the order of 1%.

Some airlines also argue that passengers travelling on frequent flyer award tickets should be exempted from paying PFCs. Frequent flyer passengers make the same use of airport facilities as passengers who recently bought their tickets. PFCs, locally assessed and federally authorized, are appropriate charges to frequent flyer passengers.

II. THE CLOSE RELATIONSHIP BETWEEN AIRPORTS AND AIRLINES

The close relationship between airports and airlines is well recognized. The two are indispensable to each other. Travellers and shippers in the community which the airport serves are also the customers of the airlines that provide air service to the community. Airports are responsible for serving the needs of passengers from their arrival by ground transportation to the airport, to the point that they board the aircraft, and they are thus accountable to the public and the community.

Many of the operational aspects of airport use by airlines are subject to federal regulation, and are linked to the overall functioning of the national aviation system. The commercial relationship between an airport and the airlines is somewhat different, being essentially that between a local public body serving as the landlord of public transportation facilities, and major corporate airline tenants operating at those facilities. This close and cooperative commercial relationship recognizes the broad benefits derived from air transportation in the community and the region.

Airports are user-funded, deriving their financial support from the use made by travellers and shippers, and the companies selling services to these users. A major component of that financial support comes as a result of their close commercial relationship with airlines.

A. Airport Operators: Providers of Public Transportation Facilities.

The vast majority of U.S. airports are owned and operated by state and local public entities. In some cases, these airports are owned and operated by departments of a state, county, or city government. In other cases, these governmental entities have formed special purpose authorities to own or operate airports. The governing bodies of these entities are comprised of local business and community leaders. Several publicly owned U.S. airports are operated by private entities under a management contract that ensures policy and financial control by the governmental owner.

As public landlords, airport operators must balance a variety of interests at the airport and in the community. Such interests include not only those of airlines, but also general aviation, federal agencies (customs, immigration, etc.) and local community groups. In making policy for the airport, the operator balances the often diverse interests of individual competing airlines, as well as those of other groups affected by the airport. The policy process is open and participatory, thereby ensuring that all interests have an opportunity to be heard before a decision is made. In their decision making, airport operators endeavor to meet the overall needs of travellers and shippers in their localities and regions, as well as those in transit through their facilities.

B. Airlines: Key Airport Tenants and Financial Partners.

Airport operators are responsible for providing a safe and efficient operating environment for travellers and shippers, as well as for the airlines operating at the airport. Since airline customers are the same passengers and shippers who use airport facilities and services, a constructive and cooperative relationship exists between airports and airlines. However, because airlines compete for the business of these passengers and shippers, and because each airline views its priorities and interests at a particular airport in a different way, the airport operator must exercise balanced judgment, in the public interest, in establishing airport policy and entering into agreements.

A close financial relationship also exists between airports and their airline tenants. Airlines lease or are assigned extensive facilities at airports, including ticketing areas, baggage processing facilities, passenger hold rooms, aircraft gates and parking positions, club lounges, office space, cargo facilities, aircraft maintenance areas and hangars, and operations space. Airlines pay equitable charges for these leased facilities and services, as well as for such common or jointly used facilities and services as the airfield, security, fire-fighting, and rescue.

C. Airport Regulations, Agreements and Financings.

Airport/airline relationships are structured and controlled in a variety of ways, each of which is unique to the governmental, operational, and financial circumstances of each airport. Airport operators promulgate regulations controlling the use of the airport, as well as the fees and charges to be collected in the absence of a contract. At most airports, the rents, fees and charges paid by an airline are specified in agreements negotiated and entered into by both parties. Such agreements typically also address many operational, tenancy, rate-making, and capital development issues.

Airport capital financings are often linked to airport use and lease agreements, or to agreements related to specific facilities on the airport. Such agreements often contain specific provisions that relate directly to commitments made by the airport operator to bond holders. As is the case with airport/airline agreements, each of these financing arrangements and commitments is unique to the airport or specific facility involved.

The nature of these agreements has evolved in recent years. Prior to deregulation of the U.S. airline industry, airport/airline agreements were often long term, reflecting the stable conditions prevalent in a highly regulated industry. Such agreements are now typically of shorter term, and provide greater control to the airport operator, in view of the volatility of a deregulated industry.

III. AIRPORT COSTS

The costs of operating, maintaining and developing airports are much like the costs incurred by other large scale public transportation facilities. Airport operators seek to recover these costs from the variety of airport users and tenants whose business depends on the airport: airlines, fixed base operators, terminal concessionaires, rental car companies, ground transportation operators, airline services providers, cargo handlers, and, ultimately, passengers and shippers.

Larger airport operators are typically able to recover all their costs from these users, and to retain any earnings for airport purposes. Smaller airport operators have a more difficult time breaking even, and sometimes require financial support from their parent governmental entities. All airports, large and small, try to operate as financially self-sufficient enterprises and avoid tax subsidy if at all possible.

A. The Sources of Airport Costs.

Airport costs result from the provision of facilities and services in support of air transportation of goods and people. These facilities and services are driven by the underlying demand for air transportation services, the particular operating requirements and preferences of the airlines, and the operating circumstances of the particular airport. Much like any other public enterprise, airports incur capital costs, such as debt service on financings or purchase of equipment, and operating costs, such as personnel, materials, and purchased services.

The cost structure of each airport is unique, depending on a variety of factors. These include the extent and scope of capital development, the physical layout of the facility, its geographic, environmental and climatic conditions, and the extent to which certain services (e.g. police and fire) are provided directly by the airport or by other entities. Airports are capital intensive, and the capital costs incurred to provide needed facilities tend to be the major fixed cost.

The magnitude of an airport's costs will also vary with each situation. It is not unusual for a larger airport operator to have operation/maintenance costs in excess of $100 million dollars annually, and debt service costs of the same order of magnitude. In most cases, major capital development programs are in direct response to airline requests or requirements for capacity expansion or enhancement. Federal safety, security and other requirements are also significant factors in the capital and operating costs of airports.

B. Airport Charges to Airlines.

Typically, each airline pays for its share of the cost of airport facilities and services. In some cases, airlines actually pay less than their fully allocated share of these costs, due to the rate-making formula agreed to in agreements.

The basis for establishing the level of airport charges to airlines is set out in contracts or regulations in place at each airport. Some airport charges are based on the space leased or used by the airline (e.g. terminal space rental, ground rent for airline-constructed facility), and others are driven by volume of the airline's activity (e.g. aircraft landing fees, passenger security screening costs).

Each airline's cost of operating at an airport will differ, depending on the size and nature of its operation, and the facilities it uses or leases. An airline with significant operations at an airport will usually lease extensive facilities, which are often constructed by the airport operator at the request of the airline.

C. Reasonableness, Non-Discrimination, and Self-Sufficiency.

As previously mentioned, the commercial relationship between public airport operators and airline companies is established through regulations and contracts. The federal government has established principles and standards, through statute and regulations relating to the Airport Improvement Program, governing some aspects of the proprietary actions of airport operators.

The three principal requirements of federal law and regulation regarding airport/airline commercial relationships are

1) that charges to airlines be reasonably related to the cost of providing the facilities and services,

2) that charges to airlines not be unjustly discriminatory, and

3) that the objective of airport charging policy be to make the airport as financially self-sufficient as possible.

Airports are bound to comply with these and other federal requirements that protect airlines against unreasonable or discriminatory airport charges, and the recognize the goal of economic self-sufficiency. Federal law allows public airports considerable flexibility regarding the rate-making methodology it may use to establish reasonable rates and charges.

D. Bonds, Grants and PFCs.

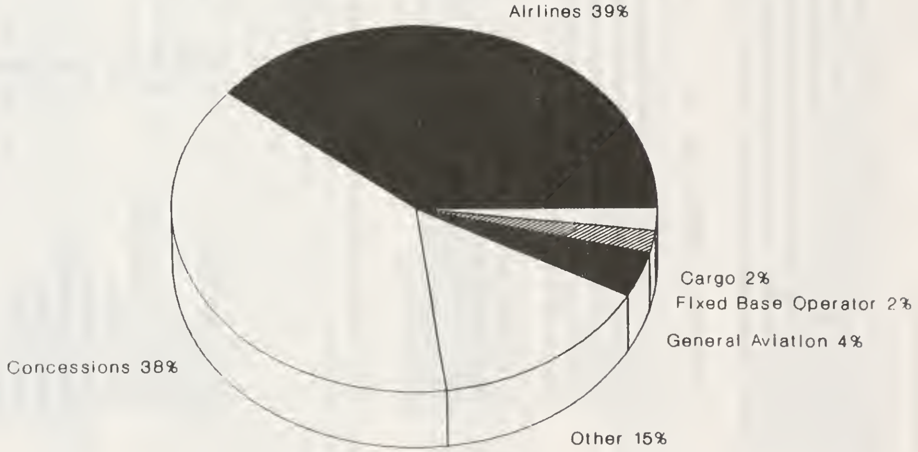
Airport capital funding is provided through three primary means: bond financing, federal grants, and passenger charges. Historically, airport bonds have been the largest source, accounting for several billion dollars each year. Typically, these bonds are supported by the revenues of the airport or the particular facility being financed. These financings are also often linked to agreements and leases entered into by airlines or other major tenants of the airport.

The FAA's Airport Improvement Program (AIP) provides grants from the Airport and Airway Trust Fund to airport operators for eligible capital projects. The Trust Fund is supported by federal aviation user taxes. The AIP, a major source of capital funding for airports of all sizes, currently provides about $2 billion in grants to airports throughout the U.S. and its territories and possessions.

In 1990, public airport operators were authorized, upon FAA approval, to impose Passenger Facility Charges (PFCs) on passengers to augment other capital funding sources. With $50 billion in airport capital needs projected over the next 5 years, PFCs provide a new means of meeting the future needs of air transportation. Safety-, capacity- and competition-enhancing programs, as well as those for noise reduction and mitigation, if approved by the FAA, may be funded by PFCs. The airlines are required to collect PFCs from passengers and remit funds to the particular airports imposing them.

Figure #1

Sources of Airport Income
U.S. Commercial Service Airports 1989



Source: DOT/FAA

IV. AIRLINE COSTS

The demand for air transportation has grown remarkably under deregulation, and U.S. airlines have grown to meet that demand. Since 1978, U.S. air travel has grown by 74%, from 270 million to 470 million passengers. The cost to the airlines of meeting that demand has also grown, with airlines paying for more aircraft, more personnel, more fuel, more materials, and more facilities. And as traffic has increased, so has total airline income from fares charged to airline customers.

A. The Sources of Airline Costs.

The airline business is both capital-intensive and labor-intensive. Operating an airline requires acquisition or lease of many aircraft, and extensive ground support facilities, passenger and cargo handling facilities, and automated operating systems. Many of these ground-based facilities are located at airports and leased from airport operators.

As a service industry, airlines also require large numbers of personnel for aircraft operations, sales, passenger service, and in-flight services. In recent years, the cost of commissions to travel agents has risen faster than any other airline expense, and now is only exceeded by salaries and fuel as the airlines' largest cost area.

The broad cost elements for major U.S. airlines are:

	Percent of Total Operating Expense		
	1991	1990	1988
-Salaries/Benefits	33 %	32 %	37 %
-Services	22 %	21 %	22 %
-Materials	22 %	24 %	23 %
-Transport Related Exp.	7 %	8 %	2 %
-Fleet Rentals	5 %	4 %	3 %
-Depreciation	4 %	4 %	5 %
-Non-Fleet Rentals	3 %	3 %	3 %
-Landing Fees	2 %	2 %	2 %
-Amortization	1 %	1 %	1 %
-Other	1 %	1 %	2 %

Source: DOT Form 41

It should be noted that "non-fleet rentals" include not only rentals of facilities at airports, but also such rentals as administrative offices, ticketing offices, and reservations centers located in other locations.

B. What Airlines Pay for Using Airports.

The relative proportion of the various airline cost elements has fluctuated over the years in response to factors both internal and external to the airlines. The proportion of an airline's total costs for its use and lease of airport facilities and services, compared to its total costs or other cost elements, has remained relatively small and stable. On average for the U.S. airline industry, approximately 4% of total airline costs are paid for airport rents, fees and charges.

Increased airline operations resulting from growth in air travel demand has, of course, increased airline costs in absolute terms. More aircraft land and takeoff, more terminal space is needed, more support space is leased, and essential services must be provided to a greater number of airline passengers and shippers. Airport facilities and services must also be expanded to accommodate this growth.

The vast majority of airport capital development programs are agreed to by the tenant airlines in order to meet traffic demand. ATA states that airline per passenger costs for airport landing fees and rentals rose by 76% over the period 1982-1991. During that same ten year period, inflation increased by 41%. Thus, after accounting for traffic and inflation, airport costs have been exceptionally stable during this period.

The vast majority of airport cost increase reflects capital programs requested, supported, or agreed to by the tenant airlines. A considerable amount is also attributable to federally-mandated requirements. The financing and construction of major connecting hub facilities for airlines also contributed to an increase in airport costs. Even with the demand and cost pressures, airports have been able to provide these facilities to airlines efficiently and at a relatively stable cost. The considerable airline operating cost savings and efficiencies that result from many of these capital programs should be considered an offset to these cost figures, and indeed were the reasons for these improvements.

The fact is that the unit cost to airlines, after accounting for inflation, traffic growth and operating efficiencies, for their use of airports has been exceptionally stable over the years, and particularly when viewed in comparison to other airline costs.

Air travel demand has always proved to be very sensitive to changes in general economic conditions and the business cycle. Since the airline product is very mobile and adjustable, the airline industry adjusts capacity (available seat miles) in response to changes in demand by changing the number of flights offered and operating different aircraft. This enables them to avoid certain variable costs that are related to level of operation and the amount of traffic carried. Airlines seek to match the demand for travel with the capacity offered to the market.

Airports, however, are fixed capital facilities which require long lead times to put into service, due in part to extensive environmental requirements. The planning, design and construction of airport infrastructure projects will typically span 3 to 7 years, and are built to accommodate peak traffic demand. As traffic fluctuates due to economic conditions, airport capacity cannot readily or cost-effectively be removed, and facilities under construction cannot be stopped in mid-stream.

The air transportation industry will continue to need expanded and enhanced airport and airway capacity to resolve delay problems due to current peak traffic, and to accommodate future capacity needs when traffic demand grows. These costs should be viewed in light of the significant economic benefits they create in terms of reduced congestion and delay.

C. Airport Costs and the State of the U.S. Airline Industry.

The U.S. airline industry has lost $8 billion in the last 3 years, with many airlines seeking bankruptcy protection, reorganization or dissolution. Numerous factors, some external to the industry and others tied to airline management decisions, have contributed to the poor state of the industry, including:

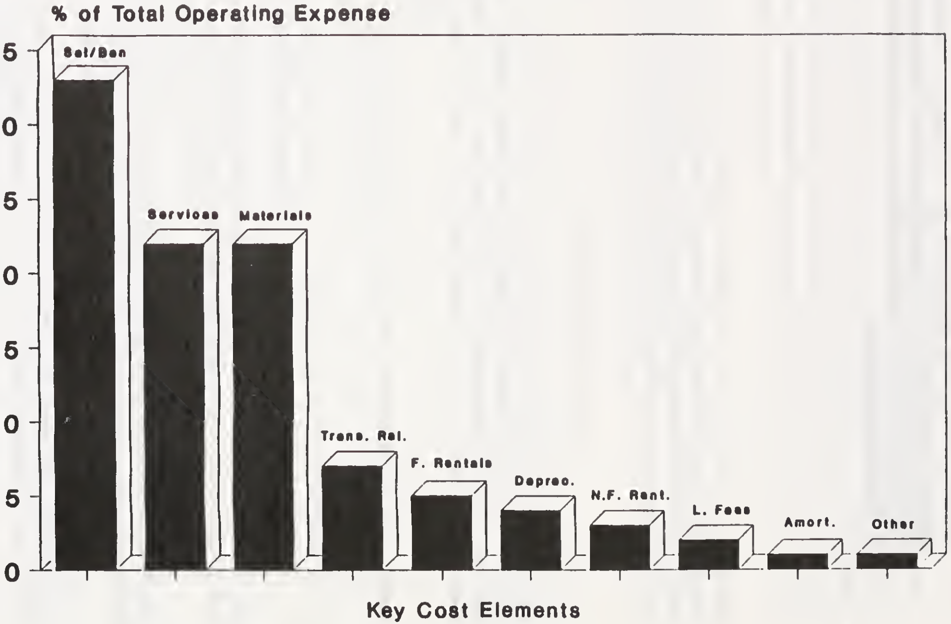
- an extended worldwide recession which has softened air travel demand in the past few years;
- drastic fare discounting by airlines seeking to stimulate traffic and fill excessive seat capacity;
- unprecedented debt burdens for many airlines, which, combined with poor operating results and generally tight credit conditions, have dried up sources of capital;
- pricing practices of airlines operating under the protection of Chapter 11 of the U.S. bankruptcy laws, and the resulting uneconomic pricing practices of other airlines seeking to remain competitive;
- fare levels in less competitive markets that have risen significantly, as recently reaffirmed in a recent DOT analysis, tending to depress traffic demand; and
- continuing air traffic control delays, costing the airlines and their customers billions of dollars annually.

In the context of these tremendous pressures and impacts on airline cost structures, airport costs are the good news.

Airport costs are not responsible for the financial deterioration of the airline industry. Airport costs are the most stable of the airlines' cost elements. Airports are developed and operated in order to enhance the safety, efficiency and capacity of the air transportation system.

Figure #2

Airline Operating Expense
U.S. Majors: 1991

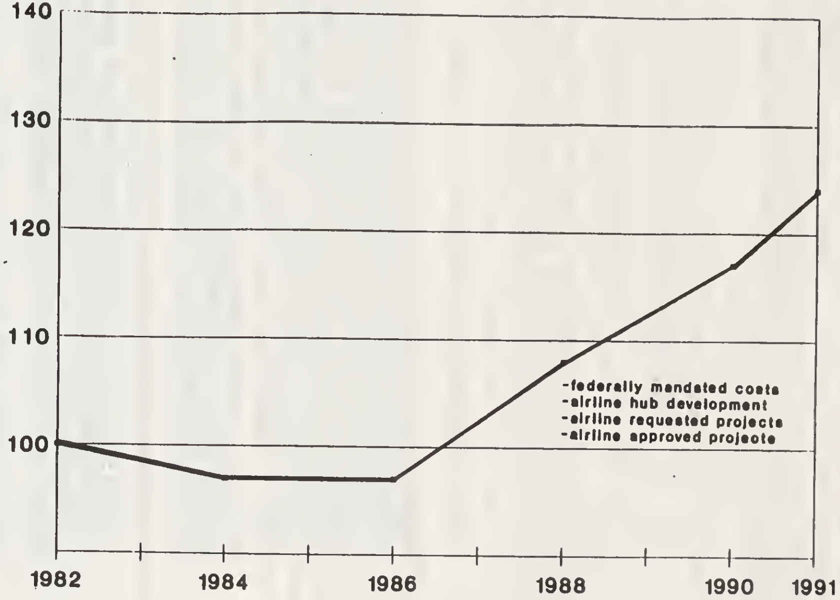


Source: DOT Form 41

Figure #3

Index of Airport Cost per Airline Passenger Adjusted for Inflation*

1982 = 100



*U.S. Urban CPI

Source: ACI-North America, based on Air Transport Association and U.S. Department of Commerce Data

V. THE PROSPECTS FOR AIRLINE COMPETITION AND GROWTH

As the U.S. airline industry has evolved in the current "consolidation" phase of deregulation, and the number of U.S. airline competitors has diminished, concerns are being raised about the future competitive basis of the industry. Similarly, the prolonged stagnation of air travel demand has prompted some to raise questions about future air travel growth rates.

Airport operators, as public entities looking out for the welfare of their communities and regions, seek to ensure that a competitive and growing U.S. airline industry is maintained. Although the airline industry is always very sensitive to changes in general economic conditions, both the FAA and the airline industry forecast renewed future growth. The Air Transport Association projects that airline departures will grow by 25% by the turn of the century. Without the availability of airport facilities and capacity to provide for new entry and future growth, airline delay costs will increase, and the prospects for competition and growth will be significantly hampered.

A. Airport Development is Pro-Competitive and Pro-Growth.

The federal government recently took two major steps, which are now being implemented, to help meet these current and future needs: authorization of the highest funding ever for airport development grants under the Airport Improvement Program (AIP), and authorization for airport operators to impose Passenger Facility Charges (PFCs) on passengers through a predetermined enplanement fee added to the cost of the air fare charged by the airlines. Although many aspects of airport development and financing are governed by contracts between airports and airlines, these two means of providing airport development address the broader public interest considerations of safety, capacity, competition, and noise reduction/mitigation.

Airport operators and airlines will not always agree on the need for, or scope or timing of a particular airport development project or program. Often, the individual tenant airlines at an airport will not agree among themselves about development priorities. This is understandable, since they are competitors and each has its individual corporate strategies and preferences.

This is precisely why AIP and PFCs are required. Airport operators are the public bodies entrusted with developing the infrastructure serving all elements of the air transportation system. AIP grants and PFC programs enable them to proceed with needed development without first obtaining approvals from competing and diverse airline companies.

A multi-year reauthorization of the AIP at adequate levels of funding is essential to meeting the infrastructure investment needs of airports. If necessary, this should include a spend-down of the Airport and Airway Trust

Fund, which passengers and shippers have paid into and now has a surplus of $7 billion.

PFCs must be preserved if airport development in the interest of the overall air transportation system, rather than of a particular airline or group of airlines, is to be met. PFCs support improvements at the specific airport systems at which they are assessed. Airlines are permitted to recover their administrative costs of collection from a portion of the PFC. PFCs are an efficient means of funding capital development.

B. PFCs and Connecting Passengers.

Some airlines have proposed that connecting passengers should be exempted from paying PFCs, or that airports should have the option of exempting connecting passengers from PFC collections. They argue that collection of a PFC at their connecting hub airport will place them at a competitive disadvantage with other airline hubs where a PFC is not being collected.

There are several fundamental flaws in this argument. Connecting passengers make as great or greater use of facilities eligible for PFC funding as do origin/destination passengers. Airports are designed to handle peak loads of aircraft and passengers, and the concentration of connecting "banks" of aircraft converging on an airport is a major element in determining an airport's peak capacity requirement. Similarly, many of the services and amenities that airports provide must be sized to accommodate these traffic peaks.

PFCs are charges on passengers, not airlines, and therefore are not a cost that an airline is obligated to absorb. Although airlines claim that they will have no choice but to absorb PFCs, rather than collect them from passengers, this is a choice of airline pricing policy, rather than competitive necessity.

In any event, airlines competing for traffic between the same city-pairs will experience significantly different airport costs, both at the origination and destination airports, and at the hubs, irrespective of PFCs. Each airport's cost level and structure is unique, as is its business relationship with tenant airlines. Further, one airline's costs at an airport will differ from another's based on the nature of its operation. One airline may be leasing older facilities to support a modest level of service (e.g. 4 or 5 turnarounds per day), without supporting maintenance facilities or amenities such as an airline club. An airline with an extensive hub operation, or with newer facilities, or with extensive supporting facilities, will experience higher unit costs. Airport cost differentials already exist throughout the system for each airline at each airport.

Will a $3 PFC at a hub airport drive passengers away from an airline's service over that hub? The answer is clearly no. Travellers base their decisions on which airline to fly on many considerations: fare, schedule, itinerary, service quality, frequent flyer programs, aircraft equipment, airport preference, etc. These decisions are not based on whether an airport is collecting a PFC.

The accompanying set of examples (Attachment A) show that the collection of a $3 PFC at a hub airport would not significantly impact the total cost to the passenger. The differential between a fare for a two segment trip with a $3 PFC at the connecting hub, and one without a PFC, is on the order of 1%.

C. PFCs and Frequent Flyers.

Some airlines also argue that passengers travelling on frequent flyer award tickets should not be required to pay PFCs. This argument is based on a novel assertion that frequent flyer award tickets are free tickets, notwithstanding the fact that travellers must buy tickets for 20,000 miles or more of travel on an airline to qualify for an award on that airline. In other industries, this is often referred to as a "volume discount."

Frequent flyer passengers make the same use of airport facilities as passengers who recently bought their tickets. They pay the applicable federal taxes on their tickets: the ad valorem taxes are, of course, zero, but the various per trip surcharges (international departure, customs, immigration, agriculture) are assessed. PFCs, locally assessed and federally authorized, are appropriate charges to frequent flyer passengers.

It should be noted that recent legislation and federal interpretation has, in effect, precluded the collection from frequent flyers of PFCs approved by FAA between October 6, 1992 and September 30, 1993. However, the FAA has clarified and reaffirmed its view that the FAA definition of "passenger enplaned" includes passengers using frequent flyer bonus certificates.

Attachment A-1

ANALYSIS OF HUB PFC IMPACT

Example #1

City Pair Market: Omaha - Washington (National)

One-way Fare Range: $ 390 to $ 165

Itinerary 1: OMA - STL - DCA	Airline:	TW
Airport Cost per enplaned passenger:	OMA:	$ 6.04
	STL:	$ 4.36
Total		$10.40

Itinerary 2: OMA - MSP - DCA	Airline:	NW
Airport Cost per enplaned passenger:	OMA:	$ 7.22
	MSP:	$ 2.96
	PFC:	$ 3.00
Total		$13.18

Airport Cost as Percent of Fare Range

Itinerary 1: without PFC	2.7% to 6.3%
Itinerary 2: with PFC	3.3% to 8.0%

Impact of $3 PFC on fare level	+0.8% to +1.8%

Attachment A-2

ANALYSIS OF HUB PFC IMPACT

Example #2

City Pair Market: Little Rock - Tampa

One-way Fare Range: $390 to $165

Itinerary 1:	LIT - MEM - TPA	Airline:	NW
Airport Cost per passenger:		LIT:	$ 2.99
		MEM:	$ 6.76
	Total		$ 9.75
Itinerary 2:	LIT - STL - TPA	Airline:	TW
Airport Cost per passenger:		LIT:	$ 2.57
		STL:	$ 4.36
		PFC:	$ 3.00
	Total		$ 9.93

Airport Cost as Percent of Fare Range

Itinerary 1:	without PFC	2.5% to 5.9%
Itinerary 2:	with PFC	2.5% to 6.0%

Impact of $3 PFC on fare level +0.8% to +1.8%

Attachment A-3

ANALYSIS OF HUB PFC IMPACT

Example #3

City Pair Market: San Jose - Cincinnati

One-way Fare Range: $620 to $255

Itinerary 1: SJC - SLC - CVG		Airline:	DL
	Airport Cost per passenger:	SJC:	$ 3.46
		SLC:	$ 3.02
	Total		$ 6.48
Itinerary 2: SJC - MSP - CVG		Airline:	NW
	Airport Cost per passenger:	SJC:	$ 2.45
		MSP:	$ 2.96
		PFC:	$ 3.00
	Total		$ 8.41

Airport Cost as Percent of Fare Range

Itinerary 1:	without PFC	1.0% to 2.5%
Itinerary 2:	with PFC	1.4% to 3.3%

Impact of $3 PFC on fare level	+0.5% to +1.2%

Attachment A-4

ANALYSIS OF HUB PFC IMPACT

Example #4

City Pair Market: Portland - Cleveland

One-way Fare Range: $620 to $255

Itinerary 1:	PDX - ORD - CLE	Airline:	UA
Airport Cost per passenger:		PDX:	$ 5.72
		ORD:	$11.72
Total			$17.44

Itinerary 2:	PDX - DTW - CLE	Airline:	NW
Airport Cost per passenger:		PDX:	$ 6.21
		DTW:	$ 3.54
		PFC:	$ 3.00
Total			$12.75

Airport Cost as Percent of Fare Range

Itinerary 1:	without PFC	2.8% to 6.8%
Itinerary 2:	with PFC	2.1% to 5.0%

Impact of $3 PFC on fare level: +0.5% to +1.2%

Mr. **Howard**. Skipping over now briefly to F&E, we are asking for the $2.7 billion. And on that we have some—it says submissions on AAS, which we believe is now, hopefully, on track, very vital to the future improvement of this system and certainly we feel worth full support and funding.

We also have for submission recommendations on procurement practices of the FAA and other—another analyses on overall FAA structure which we would like to submit as well with respect to R&D.

We are asking for $300 million. And I think, without any further comment on that, I would just like to say, Mr. Chairman, the International Aviation System has been built on the innovations created, for the most part, in the United States through imaginative R&D. And we think it is very vital to the competitiveness not only of our own system but the continued and future preeminence of the United States in international aviation.

[The prepared statement of Mr. Howard and other information follows:]

NORTH AMERICA ACI
Airports Council International-
North America

American Association
of Airport Executives

Statement

of the

Airports Council International - North America
and the
American Association of Airport Executives
before the
Subcommittee on Transportation and Related Agencies
House Committee on Appropriations

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by

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on

Fiscal Year 1994 Federal Aviation Administration Funding

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Mr. Chairman and members of the subcommittee:

We appreciate this opportunity to present the views of the airport operators and executives across the country regarding fiscal year 1994 funding for programs of the Federal Aviation Administration (FAA).

As members of this subcommittee know, the members we represent are the local, state and regional governmental bodies, and the men and women who manage and operate our nation's airports.

From the earliest days of aviation, local governments have had the primary responsibility for developing, operating and financing our country's commercial airports. Today, the air transportation system is the linchpin of our national and local economies, essential to the safe transportation of people and goods, both domestically and internationally.

Airports support local economic development by providing complete transportation services, stimulating business activity and investment and creating jobs. Airports must generate revenue for their particular operations to be self-sufficient, usually without the general tax revenues enjoyed by other public enterprises. They must operate like cities within cities, providing their own police and fire protection and their own public works. Airports must perform all of these services efficiently, unobtrusively and with as little impact on the environment as possible.

Since deregulation, the number of passengers using the domestic aviation system has exploded. As a result of the vast increases in passengers, 23 airports currently suffer 20,000 hours of delay or more per year. If nothing further is done to increase system capacity, the FAA forecasts that the number of airports with 20,000 hours or more of delay per year will increase to 36 in less than 10 years — a daunting increase. This results in billions of dollars per year of delay costs and lost productivity throughout the system.

Airport and airspace delays increased in 1992 by 4% over 1991 delays, according to ATA. According to the FAA, domestic passenger enplanements increased by 3.7% in fiscal year 1992 and are forecast to increase by 1.8% in 1993, 5% in 1994, 4.5% in 1995 and an average of 3.5% over a 12-year period.

The current financial condition of U.S. carriers is cause for concern throughout the industry, including the airport community. The symbiotic relationship between airports and airlines is clear. Neither can exist without the other.

The airport community is sensitive to the challenges faced by the industry and cognizant of the need to work together in the months ahead to build a stronger industry. A number of airline officials and analysts believe that the best prescription for a return to financial health in the industry is a recovering economy.

As the economy recovers, more and more people will be using the system. This growth in demand will place tremendous strain on the existing airspace and airport system, and require renewed focus on the requirement to expand system capacity and the R&D to help create it. Despite the temporary lull in air travel demand in the United States, growth will resume. Even if the growth is modest, work to increase effective capacity is fully justifiable in the light of the score of airports already burdened with serious delays and delay cost.

The inevitably lengthy development and implementation tasks to provide new airport and airspace capacity justifies vigorous effort now to ameliorate the already very serious capacity shortfall and high delay costs at major airports.

There is no doubt that the shortcomings of our technical infrastructure and the inefficiencies of the ATC system are costly to the users of the system. They create major costs due to aircraft delays and inadequate capacity. Equally important, these inefficiencies hurt the economic competitiveness of the United States. These technical issues are discussed more fully later in the testimony.

We believe the federal government and local and state government airport operators have the responsibility to look long-term, to plan, finance and build not only the airport and aviation facilities needed today, but also those which will be needed in the near and long-term. This is not the same thing, however, as a "build it and they will come" mentality. It is not surprising that airline management — especially given their current predicament — look to the short-term, the next quarter, or in the case of some carriers in bankruptcy, week-to-week. They are seeking a "quick-fix" that might be elusive. When the economy improves and air traffic improves, we must make sure we have anticipated the demand and built sufficient facilities and capacity to meet it. Some of the same airlines accusing airports of having a field of dreams mentality are the ones, who, several years ago, were before this subcommittee complaining about inadequate airport capacity in the system.

INFRASTRUCTURE INVESTMENT

It generally takes 3-7 years to undertake and complete an airport development project. The extensive master planning process, environmental approvals, long-term financing and other actions that must be accomplished make it extremely difficult — and certainly not cost-effective — to disrupt or delay projects that are underway. We cannot afford to be shortsighted. That is what got us into the position we find ourselves in today with inadequate airport capacity and facilities. Since deregulation, we as a nation failed to provide adequate funding and means to expand capacity as necessary to keep pace with rapid growth in aviation that was experienced in those years. We are still catching up even now, despite the recent slow growth. But one thing we should have learned by now is that the aviation business is cyclical, and we can fully expect that when the economy improves (as it has in recent months) air travel demand will take off again. We will have doomed our air transportation system to perpetual inadequacy, inefficiency and unprofitability if we do not continue to build and expand now for the needs of tomorrow.

Last year, we updated our airport capital development needs survey and found that capital development needs in the system approximated $10 billion a year over the next five years. It is important to note that this is a needs survey, not a wish-list of pie-in-the-sky airport directors' dreams. These are needed projects. They are real and have real benefit. The FAA has reviewed the survey and endorsed its results. Of the projects identified in the survey, approximately 60%, or $6 billion annually were AIP eligible projects. The federal government, with its limited resources and competing priorities has funded the AIP program at less than $2 billion a year. Three years ago, the Congress passed legislation that authorized airports to raise capital development funds directly from the air passengers by imposing modest passenger facility charges (PFCs) on travelers using the airport. This was done to help bridge the gap between annual airport capital development funding needs and the inadequate funding level provided by the federal government.

PFCs are critical to provide airports with the financing tools and greater independence to respond to the air traffic and expansion needs of the airlines and the air service needs of travelers and the communities they serve. PFCs are building worthwhile projects, creating jobs and stimulating business opportunities for the airlines and many other airport-related businesses. Without PFCs, many of these projects would go unfunded or would be significantly delayed; the long-term capacity improvements and benefits they would provide would not be available now when the nation's economy needs it.

When there is disagreement from the carriers over specific airport PFC projects (as there has been in approximately one-fifth of the proposals) it is usually over terminal and access projects. Although the airlines may not perceive these types of projects to be of direct benefit to them, these projects are important and beneficial to air travelers. Airport operators must provide facilities that are safe, efficient and in compliance with federal mandates, in addition to getting passengers to, through and from their airports. Passengers pay federal ticket taxes and PFCs to contribute to the development and improvement of airport facilities that benefit them throughout their entire travel experience, not just those facilities that are used by the airlines.

Airport operators and airlines will not always agree on the need for, or the scope or timing of a particular airport development project or program. Often, the individual tenant airlines at an airport will not agree among themselves about development priorities. This is understandable, since they are competitors and each has its individual corporate strategies and preferences.

This is precisely why AIP and PFCs are valuable. Airport operators are the public bodies entrusted with developing the infrastructure serving all elements of the air transportation system. AIP grants and PFC programs enable them to proceed with needed development without first obtaining approvals from competing and diverse airline companies.

PFCs must be preserved if airport development in the interests of the traveling public and the overall transportation system, rather than of a particular airline or group of airlines, is to be met. Investment in airport development fosters not only a competitive, efficient and growing air transportation system. It also contributes to economic revitalization and growth throughout the country. Airport development creates jobs, and spins off broader economic benefits in the localities and regions served by the airport. For each $1 billion invested in airport development, approximately 40,000 to 50,000 jobs are created and sustained with related multiplier spending and tax revenue benefits for local and state governments, as well as the federal government.

With the focus on federal deficit reduction and economic revitalization, ways must be found to create jobs, ensure a sound general economic recovery, and foster a healthy and growing transportation system. Investment in our nation's airports, through user-funded capital development programs, will return enormous dividends to citizens, travelers, and shippers, as well as to airlines and others in the business of air transportation.

AIP FUNDING

Mr. Chairman, you have said that transportation infrastructure programs are long-term improvements and that higher sustained funding levels for years to come should be the goal for these programs. We agree with you. Sustained, predictable funding should be what we strive for. To that end, airports request that the AIP funding level be increased to $2.2 billion a year, beginning in fiscal year 1994, along with 5% annual increases.

This sustained, predictable funding will help ensure that needed projects are built throughout the system and that capacity and congestion problems are addressed, along with safety and security improvements.

There has also been some discussion in recent weeks of an effort to develop more specific investment criteria as it relates to the effective distribution of limited federal transportation funds. We believe that this could be a very important effort and offer our help in that process.

PFC PROGRAM

As noted earlier in our testimony, the PFC program will provide a significant source of capital to help build the nation's airport infrastructure for the 21st century. As of March 16, there were 88 PFC applications that had been approved by FAA, with 33 applications under review. Revenue collection began last June and for 1992, airports received $116 million. The FAA estimates that figure will grow in 1993 to $471 million.

Mr. Chairman, the airport community recognizes your concerns with the PFC program, but airports are confident that the funds collected will be used on projects that will improve safety, security and capacity throughout the system, reduce aircraft noise and provide additional opportunities for improved airline competition and service.

We have worked with the airlines and the FAA to improve the consultation process; and we believe the process is working. There are meaningful discussions and airports are modifying their applications and/or the FAA is scrutinizing and disapproving or deferring projects. Of the 88 PFC applications approved by March 19, the total revenue associated with those projects over the various collection lengths is $5.8 billion. This compares to the original requests totaling $14.1 billion in those applications. When legislation creating the PFC program was adopted in 1990, the estimated annual revenue to airports from the program was estimated at $1 billion a year. In 1992, airports received $116 million and the FAA estimates this figure will increase to $471 million in 1993, still far short of the original estimates.

AIRPORT COSTS

Before moving into a discussion of other funding programs of the FAA, we would like to address an area of concern that airlines have raised recently — airport costs.

Airlines contend that airport costs are one of the fastest-growing components of their cost structure. The fact of the matter is that airport operating expenses per total passengers (enplaned and deplaned) have increased very little during the period from 1990 to 1992. For example, operating expenses per total passengers at large hubs increased only 2.6 percent between 1990 and 1992. This is an increase of 1.3 percent per year. On the whole, large hub, medium hub, small hub, non-hub and general aviation airport expenses have increased 1.8 percent over the past two years or less than 1 percent per year.

It is important to remember that airport costs are driven by passengers. The fare wars of last year brought record numbers of passengers through the system. This places a burden on the facility. While an air carrier certainly knows the difference in its bottom line between a full-fare traveler and a discount traveler, an airport can't differentiate. Both put the same burden on the facility.

Another factor that greatly affects airport costs is federally mandated programs. Federal regulations and requirements regarding aviation security, environmental mitigation, compliance with the Americans with Disabilities Act, de-icing, and aviation safety all contribute to the cost of operating a facility. The goals behind these programs are worthwhile, but there must be a recognition that they place a financial strain on the system.

FACILITIES AND EQUIPMENT & RESEARCH AND DEVELOPMENT

We approach the FY-94 F&E and R&D budget at a difficult time for aviation. Many expensive FAA efforts which we had hoped would have produced major gains in capacity and productivity for the aviation users have not come to fruition on time or within cost. Research and development, the key to our future, is only now beginning to recover from a long period of decline. There are all manner of prescriptions to save money by doing less.

We believe the FAA budget needs to be judged from several perspectives:

- Does the expenditure offer tangible output which will improve the services FAA provides to the aviation public in terms of measurable safety and efficiency gains?
- Does the expenditure attack problems which reduce safety, efficiency, or which prevent users of the aviation system from conducting their activities in a cost-effective way?
- Does the expenditure, in helping with the first two justifications, enhance the eminence of the United States by continuing to assure the world's best, safest aviation system, whose products are attractive in world markets.
- Since aviation is a major, high-multiplier generator of jobs and economic activity in the United States, will the expenditure contribute to job growth and the preservation of critical industries?

Airlines, in their dire financial straits, are in many cases down-sizing, grounding aircraft and shrinking their new aircraft orders. Small general aviation has not recovered from its problems.

Perhaps the most cogent reason to pursue the improvement of the aviation system is illustrated by the high and continuing cost of delays.

These FAA figures which we cited earlier in our testimony dramatically illustrate the problem:

Currently 23 airports suffer 20,000 hours of delay or more per year. If nothing is done to increase system capacity, FAA forecasts that the number of airports with an annual 20,000 hours or more of delay per year will increase to 36 by the year 2001.

Airport and airspace delays increased in 1992 by 4% over 1991 delays, according to ATA, while the level of operations remained flat. In 1991, 297,758 aircraft operations were delayed 15 minutes or more, according to the FAA. Can we afford the staggering amount of wasted expense in cost and work productivity?

These two indicators show that the shortcomings of our technical infrastructure and the inefficiencies of the ATC system are costly to the users of the system. They create major costs due to aircraft delays and inadequate capacity. Equally important, these inefficiencies hurt the economic competitiveness of the United States.

The cost of delays is in the billions of dollars. Substantial reductions in delays alone would make a dramatic bottom line difference to the aviation industry.

There is a need to create more runways and more airport infrastructure using AIP and PFC resources. This is necessary investment—not to build Taj Mahals, but to provide the airport capacity which is the key ingredient to bring down the cost of delays. While new capacity may not be needed at the moment to accommodate more flights, new runways and improved airport infrastructure are potent weapons in the attempt to reduce the money drain that delays impose on airlines and their passengers. New runways and their related infrastructure are far and away the best way to reduce delays at busy airports.

FACILITIES & EQUIPMENT

Last year airports testified in support of a $3 billion level for Facilities & Equipment, more than the Administration requested, in hopes that a decision would be made with respect to FAA facility consolidation and more funding would be needed to make the necessary and long-delayed adjustments to the badly needed automation system modernization. We understand that the decision has not yet been made, and that FAA is likely to ask for a level of perhaps $2.6 to 2.7 billion.

Because we have not seen the details of FAA's budget proposal, we can only point to several projects we see as most important:

We believe the Advanced Automation System program is crucial and must be fully funded. We support the dramatically refocused AAS program for FY-94, despite the many past problems in this program. Good intentions are clearly present in FAA's current senior managers, but there has been a consistent pattern of failure and delay. We believe the AAS program should be carefully monitored and tied to results from the credible refocusing of the program. At the same time, we believe it is extremely important that FAA not be micro-managed. They should be given the flexibility to achieve results on time and within cost. We also believe they should be held accountable for getting the program solidly on track. If they are unable to do so, the users will not be able to support continuation of the program and its escalating costs.

If the AAS program is to reach its objective of providing real benefits to the aviation system user, FAA must commit to a continuing real world assessment of user needs. This must be an ongoing process given the reality of technology evolution and the economic changes that are inevitable over the course of any multi-year development program.

A major part of moving to a system which provides capacity, efficiency and delay reduction benefits to users is the early development of enroute, flow management and terminal/airport surface automation aids to controllers. While this work unfortunately remains in the R&D realm, it is imperative that the F&E program provide the technology "hooks and handles" to accommodate these delay-reducing automation tools as soon as their development is complete.

We support the continued development and procurement of Microwave Landing Systems for Category 2 and 3 operations. While there is a growing view that satellite navigation will serve to provide universal non-precision approach capability and Category 1 service, we believe Category 2 and 3 operations must be served by a highly capable, but far simpler MLS than has been planned up to now. The development needs to go forward rapidly and innovatively.

A proportionately large part of FAA's F&E budget goes to support contracts of various kinds. This is the direct result of decisions made twelve years ago not to increase FAA's internal personnel as the F&E task grew about ten-fold. It has resulted in FAA having to utilize a variety of support contractors to make up for its own inability to deal with its large tasks. It may be appropriate to reexamine the situation to establish clearly whether FAA still has the internal expertise to effectively manage and control its many contractors and helpers.

RESEARCH AND DEVELOPMENT

We believe an appropriation of $300 million is justified for FY-1994 if we are to create the R&D effort and the results we need.

The international aviation system has been built on innovations created for the most part in the United States, brought by imaginative research and development.

FAA's Research and Development is beginning to revive after the years in which the NAS Plan needs predominated. FAA top management has been trying hard to rejuvenate real R&D.

Industry's support for FAA's efforts and for a growing R,E&D budget has been based on the assumption of further progress on a number of problems. Among them: strengthening FAA staffing, improving the transition from R,E&D to practical use, and the need for progress on system engineering decisions. There has been progress, but continuing attention needs to be focussed on the rigidity and complexity of the procurement process for R,E&D.

The industry view on the need for substantive R&D was strengthened immeasurably by the January 1993 update of the Review of the FAA R,E&D Program by the blue-ribbon group headed by Norman Augustine, chairman and chief executive officer of the Martin-Marietta Corporation. The report deserves the attention and support of everyone interested in aviation and the continued eminence of the United States.

Among its findings:

- Research, Engineering and Development funding has declined in recent years from about 6 percent of the total FAA budget to about 2.5 percent, although a considerable part of the increase in spending in the early 1980's was to engineer the National Airspace System Plan. Although addressing a problem of major national consequence, this spending level represents a tiny percentage compared to most other government departments (10% for the Interior Department, 13% for Defense, 37% for Dept. of Energy)

- The effort required - research and development and, later, implementation - for a number of evolutionary improvements is clear. But for certain areas, the FAA system engineering process must generate system decisions and establish the future system architecture, which can then allow breaking major tasks into manageable development and implementation projects.

- The safe achievement of additional airspace and airport system capacity be assigned as the highest priority within the FAA research, engineering and development activity.

- Airport capacity, although related to airspace capacity, is not a naturally limited commodity. Nonetheless, there are not many sources of additional airport capacity.

- The present airport system should be optimized through: physical airfield and terminal improvements and expansion; ground access enhancement; procedural/operational changes and flow management, and use of new capacity technology. The wake vortex problem, a major deterrent to the safe achievement of additional airport capacity, is representative of a problem in the past conduct of FAA research and development. The effort has often suffered from limited management attention, erratic funding and lack of focus.

- At the growing number of airports where noise is a significant factor in limiting capacity, other technologies also offer promise. Wise use of curved, segmented and short final approach paths and flexible departure paths can provide significant benefits. Flexible noise abatement procedures help, and the FAA's work to exploit better navigation capabilities (e.g., flight management/area navigation systems, the Microwave Landing System (MLS), and the Global Navigation Satellite System [GNSS]) needs to proceed rapidly. In the light of heavy federal investment in the Airport Improvement Program (AIP), with perhaps $1 billion expended annually on airport pavement alone, a meaningful effort on product improvement research and development seems fully justifiable, especially if it is specific and directed at meaningful, measurable results.

- Security is an area wherein considerable progress has been made throughout the world, although enormous challenges remain.The general approach to this problem has been more of a "bottom-up" character than a structured top down effort related to the real threat and consequent objectives. It is essential to study the philosophical underpinnings of the approach to security and to apply techniques flexibly and cost-effectively.

We propose that the FAA budget request which we believe will be on the order of $250 or $260 million, be augmented to at least $300 million, with the following specific augmentations:

A. Airport Pavement R&D, to move toward a new universal pavement design methodology, the building of new and instrumented test pavements, and the long term data gathering and proof testing of new concepts and methodologies: an increase of **$11 million**

   The clear payoff is in the potential for improvement of the design and longevity of airport pavements and permitting rational planning of airport pavements properly designed for a future with larger, heavier aircraft. The investment suggested as a beginning for a long term program is a small percentage of the approximate $1 Billion annual federal investment in airport pavement.

B. For a revitalized effort to ameliorate the effects of wake vortices: an increase of **$8 million**

   The payoff is in regaining a large part of the 12-15% airport capacity lost as a result of the wake vortex restrictions.

C. To increase the emphasis on exploitation of new concepts and technologies for airport surface traffic management/runway incursion control: an increase of **$5 million**

   The problem of runway incursions, which spawned two major on-airport collisions in 1991, is best dealt with by energetic development of a modern airport surface traffic management system. Such a system, composed of many elements, can simultaneously reduce the risk of incursions and improve the efficiency of airport operations. It is a valuable investment in safety and capacity.

D. For an increase in the extent of effort and the time required for completion of development of real terminal area automation and ghosting display applications: an increase of **$5 million**

   Compelling studies have shown that reduction of variability of arrival and departure streams can offer approx. 12% of additional capacity. Automation aids for controller to help them better handle the large number of variables which are part of the ATC process are a fine investment in both safety and capacity.

E. For an intense high priority effort on satellite navigation, so as to facilitate utilization of the U.S. Global Positioning System (GPS)/ICAO Global Navigation Satellite System (GNSS). Development of ground differential stations and landing capability demonstrations, integrity monitoring, verification of autonomous integrity monitoring: an increase of **$3 million**

This new system promises to revolutionize the way in which aircraft (and many other vehicles navigate, and as a new primary surveillance tool. The degree to which it can operate autonomously without elaborate ground aids will to large degree establish its value. An energetic development effort now to answer the remaining questions will yield a high return to U.S. and world aviation and beyond.

F. For the support research and development required for the system engineering design of the future system, especially for the integration of the various FAA automation efforts and flow management/ control projects: an increase of **$5 million**

FAA faces a series of primary issues, the answers to which are essential if rational R&D effort is to be undertaken, and if cost-effective system implementation is to be achieved.

G. To increase the emphasis on introduction of enroute automation (AERA) into the ATC system, and to assure smooth integrated traffic management transition from enroute/to terminal area/to on-airport-surface automation: an increase of **$10 million**

The best hope for efficient and operationally sensible handling of aircraft in the future ever-more-dense traffic environment lies in the introduction of automation aids to help controller handle the large number of variables, consider the needs and wishes of the aircraft operators, and make best use of the dynamically changing weather and winds aloft situation.

H. For an analysis and demonstration of the value of TCAS technology and cockpit traffic displays to achieve safe increases in terminal area capacity: an increase of **$2 million**

Even a small percentage of dynamic longitudinal spacing reduction has direct capacity payoff, in addition to the safety and confidence provided when pilots have improved awareness of surrounding traffic.

I. To increase FAA R&D efforts in airport wildlife control and to permit FAA to complete its commitment to support the work on the Animal Control Program with emphasis on efforts to reduce bird-aircraft collisions: an increase of **$0.5 million**

Bird strikes continue to do damage to the aviation system, and a continuing promising research effort needs to be pursued.

Finally, we recommend that $300,000 be available to Requirements and Technical Concepts for Aviation (RTCA), a non-profit organization, to develop Minimum Aviation Systems Performance Standards, Minimum Operational Performance Standards and such other special studies that may be requested by FAA to enhance safety, efficiency and capacity of the nation's airspace and airport system and to facilitate the introduction of new technology into that system for the same purposes.

It seems especially appropriate to examine the ratios between FAA's several R&D activities. Last year the amount appropriated for FAA's primary mission, the creation of an efficient ATC infrastructure (ATC and CNS) was about $95 million. $84 million went for Aircraft Safety and Security, nearly $24 million for explosives detection research. Only $5.5 million was appropriated for Airport Technology. These ratios seem lopsided, especially with respect to airport technology, since there is a large investment of airport aid funds for airport pavements, and airport capacity limitations are the major source of the delay costs we all deplore. Directed research and development of the most practical kind in these areas can yield very large payback to the nation, and thus we propose significant additions to the expected FAA budget.

Mr. Chairman and members of the subcommittee, we appreciate the opportunity to share our views on the critically important funding issues faced by the Congress this year as it relates to transportation in general, and aviation and airport issues more specifically. We pledge our support and assistance in moving the process forward. Thank you.

March 10, 1993

Statement of Jack Olcott
President, National Business Aircraft Association
before the Aviation Subcommittee
House Public Works and Transportation Committee
March 10, 1993

on behalf of the following organizations:

Air Freight Association
Air Line Pilots Association
Air Transport Association of America
Aircraft Owners and Pilots Association
Airport Consultants Council
Airports Council International - North America
American Association of Airport Executives
General Aviation Manufacturers Association
National Aircraft Resale Association
National Air Carrier Association
National Air Transportation Association
National Association of State Aviation Officials
National Business Aircraft Association
Sport Aircraft Manufacturers Association

Conclusions and Recommendations on the FAA Advanced Automation System Program

Since the announcement of the National Airspace System Plan in 1981, virtually the entire aviation industry has enthusiastically supported its early implementation. The Advanced Automation System program is a central element of the FAA system modernization. The industry has been greatly concerned about the problems this program has encountered, and by the erosion of the promised capabilities. At the same time we are well aware of the magnitude and complexity of the effort, and we recognize that the AAS will be perhaps the largest, most challenging, real-time, continuous-operation data processing system in the world.

The FAA Advanced Automation System, like many of the FAA National Airspace System Plan projects, is 4 to 5 years late. Why did it happen? It was a combination of many problems: optimistic schedules; lack of enough qualified FAA people; outside-contractors doing work, by default, which should be done by competent insiders; internal organization problems; management supervision lapses and serious policy mistakes; contract performance difficulties, and so on.

The AAS system was to be capable of accommodating full use of digital communications, and was to include AERA, the automated enroute air traffic control system, which would for the first time permit aircraft to be separated from other aircraft rather than from airspace sectors. AERA was to permit flexible, user-preferred routings while performing a growing number of routine ATC tasks automatically, thus introducing a far greater degree of flexibility into the system than was possible before. The AAS was to be able to accommodate a flow control system to overlie and smooth the traffic flows. It was to accommodate a series of automation functions as they were developed. AAS with these capabilities was to see first operational implementation by 1993.

Because it had been agreed that all significant automation functions were to become part of the AAS system, a number of worthwhile automation R&D projects were put off as the AAS delays began piling up. FAA found itself unable, because of the rigidities of the contracting process and rigidities it imposed on itself, to make rapid structural adjustments. What was done were frequent changes of specifications compensated for by time extensions, and reductions in deliverable capabilities.

There were other problems caused by the rapid change in technology, and yet other problems piled on. The idea of absorbing most if not all terminal facilities into the ATC centers ran into great opposition on manpower, operational, technical, and political grounds, and caused problems to the AAS by requiring a rigid design to be held open to accommodate any of various eventual solutions to the facility consolidation matter.

The contractions in AAS capability and each new delay has put the user benefits farther beyond reach. The sharp focus on satisfying FAA's internal desires has long subordinated the needs of the ultimate users of AAS - the airlines, general aviation and the military. Benefits to the nation have been delayed, possibly to the point of missing opportunities to achieve increases in capacity and efficiency that airspace users need badly. FAA's system management resulted in continually changing requirements which cascaded into delays and lesser system capabilities.

From the perspective of the customers for FAA's services, delays in AAS are serious indeed. The FAA National Airspace System Plan initiated in 1981-82 featured the Advanced Automation System as its central element, the one part of the NAS Plan which promised major system improvements to the users. The aviation community, in supporting the NAS Plan, realized that most of the projects were simply modernization and upgrading of FAA's aging facilities. Only when the terminal and enroute (AERA) automation and data link systems appeared would the users get real operational benefits.

What to do next

There is a long litany of problems. It would be easy to find fault and lay blame. But that is a fruitless pursuit and would simply create further delay and more costs. It is far better to lay out the work needed to achieve early tangible products in the field.

Representatives of several of the signatory organizations to this statement had the opportunity to meet with FAA's leadership a few days ago, to help us to better understand the dilemma and to consider a constructive way ahead. Our group found FAA's leadership to be fully open, well aware of the problems, and willing to be fully innovative in finding the proper way ahead.

FAA's Acting Administrator Del Balzo acknowledged that perhaps the most serious causes of the present situation were of FAA's own making. The most important has been the lack of active involvement of top management in the growing difficulties. While there has been much attention to FAA's acquisition/procurement problems, the leadership now acknowledges that FAA has not used the powers and the flexibility the laws and regulations allow to make needed changes as circumstances and the level of knowledge have changed. Top management did not adequately control the process of laying out and then controlling the requirements the contractor was expected to meet.

We believe that the steps now taken and announced by FAA are prudent and we support them, subject to the recommendations given later in this testimony, and assuming continuing vigilance and discipline to assure that valid controller and user concerns are accommodated without generating additional delays. A number of management improvements have been under way for perhaps two years, spurred initially by the then-Administrator, and now, in the last few weeks, expanded by the Acting Administrator. Yet we are also aware that FAA management has a history of changing very rapidly, for many reasons, and the beneficial changes can be erased by the stroke of a pen or by a turnover of the leadership. We believe the real challenge is to assure continuity of purpose and leadership to keep this program on the proper path.

Recommendations

There has been discussion of simply canceling the AAS contract and starting over. Our organizations believe this would be a great mistake, and would simply create more delays and more cost.

We believe that FAA must set, as it is trying to do, a clear baseline for its efforts, and make adherence to schedule and cost a primary goal. We agree that the proposed schedule of first operational commissioning of the Initial Sector Suite System in October 1996 is probably best that can be achieved, but we believe it must be strictly adhered to.

If such a firm baseline is set, we recommend that FAA restructure the AAS contract to permit the early completion of elements which can be fielded to achieve early benefits. If Congressional relief is needed to empower FAA to undertake such restructuring, we urge that such relief be given.

It is clear now that continuous, well-meaning changes in the details of what was actually wanted of the implemented AAS created a serious, self-imposed problem for FAA. From the beginning of the work FAA had used groups of controllers as well as the ATC organization management to assure that the system to be produced could be used by and would meet the needs of the controller community. The process went on far too long without crystallizing the design, and the learning processes and changing perceptions by successive groups of ATC people kept the system needs and specifications in flux, exacerbating delay and cost problems.

The long delays in the realization of automation benefits for the users have been exacerbated because FAA management at the very top did not play a sufficiently active management role. FAA managers considered, properly, the desires of the FAA ATC Service and the Facilities/Maintenance Service. However, they paid far less attention to meeting the needs of the users of the FAA system - the airlines, general aviation and the military.

This matter has dramatically slowed development and resulted in a lack of focus on the user benefits that should have been the primary objective. Yet first commissioning of real automation aids for controllers which will improve the system operation can't be allowed to be delayed until after 2000. Therefore,

1. We recommend that FAA establish an internal advocate for the needs of the FAA customers to balance these needs with the needs and wishes of the FAA organizations in the FAA inner management circles. We believe a "new contract" between FAA and the users is essential if user support for the program is to continue. We recommend that FAA, perhaps through this inside advocate, work with the user community on a quarterly basis, through the Advisory Committee structure or other mechanism. The "contract" must include regular reports and discussions concerning schedule and cost achievements as well as candid reviews of obstacles that are impeding timely deployment in the field.

Further, we recommend that FAA:

2. Proceed aggressively with the Interim Sector Suite System as the foundation for what is to follow, freezing requirements and resolve remaining open issues rapidly. Establish October 1996 as the firm date for first commissioning.

   If development and implementation of this system are to proceed sensibly, it is essential that the long delayed decision on FAA facility consolidation be made rapidly. Additional uncertainty, costs and delays must be expected if the consolidation decisions are further delayed.

3. Pursue aggressively the early implementation of the Automated Enroute Air Traffic Control System (AERA) and introduce the capability in Seattle immediately after commissioning of ISSS in order to provide valuable benefits to airspace users.

4. Proceed rapidly with the development of the Terminal Advanced Automation System (TAAS) as the appropriate system evolution for major terminals (TRACONS).

   Move rapidly to system decisions with respect to the right solution for smaller TRACONs, recognizing the benefits of using the same technologies and AAS contractual arrangements for these systems.

5. Pursue aggressively early implementation, on a tight time schedule, of the Terminal Area Traffic Control System, starting with the Center TRACON Automation System (CTAS) with first application on existing ARTS-III systems with digital displays, and plan on earliest possible national implementation of the TATCA capabilities (and related airport surface automation capabilities) on the TAAS.

6. Review, and reach decisions within 12 months, as to whether the Area Control Computer Complex (ACCC) and the Tower Control Computer Complex (TCCC) are still the best solutions. As needed, modify the system architecture to encompass the modified requirements.

There are other steps to be taken, beyond the decision on facility consolidation, if FAA and users are to have a sound planning base for the future. They are:

> Decisions on the role of flow control and its relationship to ATC separation by AERA and follow-on.
>
> Decisions on the role of digital communications (data link) in the FAA automation system and development of appropriate standards.
>
> Decisions on the manner and the time that airborne Flight Management Systems/Area Navigation capabilities will be incorporated into the FAA system.
>
> Decisions on a flexible system architecture which can accommodate Automatic Dependent Surveillance (ADS), enroute and terminal automation aids, and runway incursion/airport surface automation.
>
> Decisions on the way AAS will be designed to provide weather products and services to pilots and controllers. The needed subsystems and peripherals must be developed and properly interfaced to ensure that the FAA system uses and provides the best, most current weather information.

We believe FAA could be helped on two other matters:

The rules for procurement imposed by the Office of Management and Budget (OMB), at their best, are intended to assure that technologies are mature, and that systems are fairly and competitively evaluated before procurement proceeds. The process, which injects elaborate rules and rigid "key decision points" on procurement decisions, was imposed at a time presidents were attacking Congress and the "spendthrift" agencies of government. OMB devised mechanisms to slow the buying and spending process. While the intent is to assure well-considered government spending and high-quality products, the reality is frequently just delay and less than up-to-date technology. FAA must be given the opportunity to use sound engineering judgement and common sense, and must not be hobbled by questionable processes and perpetual second-guessing.

The absence of an adequate number of in-house FAA technologists and managers has placed FAA in a position of not being able to properly manage and direct the work of its many support contractors. The present internal management structure has led to unconnected services being provided by multiple contractors, which in turn can lead to increased costs. FAA needs a highly competent corps of experts and managers to direct contractors and oversee the projects that will lead to a more efficient and modern aviation system.

Conclusion

The organizations for which I am speaking today support the dramatically refocused AAS program for FY-94, but it must be said that our patience and faith in FAA promises of program reform are limited. Good intentions are clearly present in FAA's current senior managers, but there has been a consistent pattern of failure and delay. We believe the funding for the AAS program for future years should be carefully monitored from the top and tied to results from the credible refocusing of the program.

At the same time, we believe it is extremely important that FAA not be micro-managed. They should be given the flexibility to achieve results on time and within cost. We also believe they should be held accountable for getting the program solidly on track. If they are unable to do so, the users will not be able to support continuation of the program and its escalating costs.

If the AAS program is to reach its objective of providing real benefits to the aviation system user, FAA must commit to a continuing real world assessment of user needs. This must be an ongoing process given the reality of technology evolution and the economic changes that are inevitable over the course of any multi-year development program.

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Retaining and Enhancing U.S. Eminence and Competitiveness in Aviation

Aviation is an excellent example of what is good and right about the US as it strives to remain a competitive world leader. However its current precarious condition is also an indicator of prospective and already quite visible deterioration as a result of near-sighted policies which are likely to end US eminence unless major changes take place.

Aviation is and remains a major export and is an area where the US has been the undisputed leader for many years. Aviation technology and capability also have grown dramatically over the last few years in Europe and Japan, with large amounts of research and development funding applied. The US, through bad government policies probably more than by inadequate funding, has starved its wellspring resources.

This document concentrates on the fortunes of the **Federal Aviation Administration** as an element in maintaining U.S. eminence in aviation. The keys to its continued leadership are a) a continuing flow of cost-beneficial technologies and attractive evolutionary products, and b) the ability to select the best technologies and to carry innovations and new capabilities to fruition and practical use in a timely way.

It is essential that FAA be able to choose and carry to implementation the promising new capabilities - satellite technologies, the dramatic evolution in communications, and the fruits of the computer revolution. For long-term success, the flow of new technologies must be assured and sponsored. The sources are the industry, NASA, the Defense establishment and universities, as well as FAA itself.

The **National Aeronautics and Space Administration** (NASA), currently in a struggle to maintain its space role in a time of declining budgets, has never considered aeronautics as a major thrust, and has diminished it in recent times. The effective decline has been hastened by a doctrinaire Office of Management and Budget (OMB) policy which has tried to reduce NASA involvement in aeronautics, claiming that the needed work could be done better and cheaper by the industry. The reality is that of the three major US civilian large-aircraft manufacturers of recent times, one is out of business and one is in serious jeopardy. General aviation manufacturing is a shadow of its previous strength, not in small part because of near-catastrophic product liability laws, but also because NASA has never provided a meaningful technology base for general aviation.

It seems beyond dispute that there has been, and is today, a major role for organizations like NASA to help industry move into innovation.

This role for NASA, and a similar role for FAA, are especially important in the light of declining Department of Defense budgets. Over many years a very substantive amount of pioneering research, much of it transferrable to civilian use, has been done by the extensive and expensive net of military research laboratories and DARPA, the potent Defense Advanced Research organization. They have done a great deal of valuable work, frequently without the excessive and often destructive oversight and control suffered by civilian agencies. (one small example is the role of DARPA in the development of small hand-held GPS satellite navigation receivers, made famous in Desert Storm). If military R&D diminishes, it is crucial for the U.S. for civilian agencies to take up the slack.

An idea of magnitude of R&D investment for FY-92:

FAA's R,E&D appropriation was $218 million.
NASA's R,T&E appropriation for aeronautics work was on the order of $1 billion.
DOD's FY-1992 appropriation for R,D,T&E was approx. $33 billion, of which $11 billion was earmarked for advanced science and technology.

FAA as an Example of the Problem and Approaches to Solutions

The following material uses FAA as one example of the problems facing the U.S. as seen by expert industry observers, and some thoughts about remedies.

In considering this example, several problems are examined, which represent serious difficulties, but also potential solutions.

The discussion relates to:

The U.S. Historic Role in Technology Flow
The People Problem, and Husbanding FAA Skills for the Future
Personnel Management and Organizational Hurdles
The Procurement/Acquisition Problem - A Process Out of Control
Research and Development - Rigidities of the Process
System Capacity Achievement as a Tool to Assert Competitiveness

The U.S. Historic Role in the Flow of Technology and Innovation

The international aviation system has been built on innovations created for the most part in the United States, brought by imaginative research and development. R&D in various government and industry incarnations has been important to aviation since the Wright brothers. The Civil Aeronautics Administration's Technical Development and Evaluation Center in Indianapolis, a tiny facility helping various parts of the FAA-predecessor Civil Aeronautics Administration long before there was a formal R&D body, provided major innovations. Later, the Air Navigation Development Board, the Airways Modernization Board, and finally a half dozen versions of research & development bodies in FAA worked with the industry and users to create the foundations for our present ATC and aviation support system.

Every meaningful FAA modernization effort (from the "Third-Generation Air Traffic Control System" to NAS Stage A to the Helms NAS Plan) has had its roots in research and development conducted in the preceding ten to fifteen years. Yet, for a decade we permitted the FAA R&D establishment to atrophy and wither. There is a price to pay.

The perspective on the need for substantive R&D to maintain U.S. leadership and competitiveness was strengthened immeasurably by the November 1991 publication, updated in January 1993, of the Review of the FAA R,E&D Program by the blue-ribbon group headed by Norman Augustine, chairman and chief executive officer of the Martin-Marietta Corporation. The report deserves the attention and support of everyone interested in aviation and the continued eminence of the United States. With respect to the present situation, the November 1991 report noted:

> Research, Engineering and Development funding has declined in recent years from about 6 percent of the total FAA budget to about 2.5 percent, although a considerable part of the increase in spending in the early 1980's was to engineer the National Airspace System Plan. Although addressing a problem of major national consequence, this spending level represents a tiny percentage compared to most other government departments (10% for the Interior Department, 13% for Defense, 37% for Dept. of Energy)
>
> Financial Resources. Many of the challenges facing the nation's air traffic system can be expected to have considerable technological content in their solutions. Problems having this characteristic include those affecting system capacity, safety, security, reliability, and cost. The FAA has taken steps to create a plan which will assure that the needed technologies are indeed available and it is the judgment of the Panel that the Plan is both fundamentally sound and worth of strong support. On the other hand, it would appear that the financial underpinning of the proposed effort is insufficient to accomplish the goals which have been identified. Comparisons with other organizations which are similarly dependent upon technology suggest that the FAA for many years has been under-investing in its technology base. The steps initiated in fiscal year 1992 to rectify this situation are encouraging; however, considerable additional effort will be required to assure the long-term viability of the Plan.
>
> In January 1993, the group added ...the number of FAA personnel with the necessary technical expertise to meet future requirements remains small, and the overall research and development underpinning of the nation's future air traffic management system continues to be severely underfunded. As a consequence, limitations on the nations's aviation infrastructure can be expected to become increasingly debilitating in the years ahead.

FAA has worked diligently to emerge from the years in which the R&D effort suffered, and is at the beginning of a renaissance. It will take a sustained FAA effort and a steady and adequate funding and positive encouragement of the efforts FAA has begun. Inadequate funding or a hobbled organization sends a message that R&D is not really important to the U.S. aviation industry, and is not important to U.S. competitiveness and eminence in aviation.

As in so many other areas, the United States stands at serious risk of losing world leadership in aviation. Every responsible aviation group has pointed out that it will take both adequate funding and a forward-looking, competent cadre of FAA people. FAA has been trying, but significant progress can't be expected if the effort is short-changed.

The People Problem

One of FAA's most significant continuing challenges is the strengthening of its technical staffing. Although FAA has enlisted the support of other government agencies, academia and private industry to assist with aviation R&D, a critical mass of skilled in-house experts must be maintained to spearhead and manage FAA's programs.

Najeeb Halaby, former FAA Administrator, testifying in the House on behalf of the aviation associations in 1988, said:

> "It must be recognized that the FAA, as an extraordinarily advanced, high technology organization, has a correspondingly extraordinary need to recruit and retain the highest quality engineers, software designers and scientists. Under the present salary structure and hiring rules this is simply impossible, and the agency must constantly and unsuccessfully scramble to keep up....Were the FAA free to set salaries on the basis of market conditions -- as it must to compete for these limited resources -- its return on investment would be immeasurable....The FAA is not well served by the current complex, rigid personnel classification system, nor a government pay structure which is not conducive to the use of rewards and incentives. It is not well served by personnel ceilings which reflect budgetary and political factors which override work and safety demands. It must be freed of restrictions on use of retirees, free to provide special pay plans for unique employees, and free to design and fine tune its hiring and personnel rules to the needs of a unique agency."

At a September 12, 1989 FAA NAS Plan Users Conference, Ed Stimpson, President of the General Aviation Manufacturers Association, speaking on behalf of virtually the entire aviation industry, said:

> FAA's automation, communication, navigation and surveillance resources are aging. Those resources must be modernized to preserve the integrity of the system, to insure that air traffic controllers have adequate tools to do their jobs, to insure that safety is not compromised and to insure that system capacity is enhanced.
>
> FAA must seek, and industry must support, authority to hire adequate numbers of high quality personnel in critical skill categories: air traffic controllers, airway facility technicians,

> engineers, scientists, safety inspectors, and program management personnel. Innovative approaches will have to be devised to accomplish this objective.
>
> The FAA Administrator must be given flexibility to select his key program managers on the basis of merit and capability alone, to discharge unsatisfactory employees and move personnel to meet the needs of the Agency.
>
> The Administrator must be free to spell out system needs for personnel and funding support as he sees the needs without artificial constraints imposed from other Executive Branch agencies.

In Spring 1991, George Howard, President of ACI-NA, in House testimony on behalf of virtually all major aviation groups, said:

> The absence of an adequate number of in-house FAA technologists and managers has placed FAA in a position of not being able to properly manage and direct the work of its many support contractors. The present internal management structure has led to unconnected services being provided by multiple contractors, which in turn can lead to increased costs. The important point is that FAA needs a highly competent corps of experts and managers to direct contractors and oversee the projects that will lead to a more efficient and modern aviation system.
>
> The intention of several former Administrators was to keep FAA's people numbers very low even as the job got bigger and bigger (from F&E of approx. $250 million/year to $2.7 billion). This has had a terrible effect on FAA's internal expertise, both in F&E and R&D staffs.
>
> > The MLS Example
> >
> > The FAA took almost 4 years to prepare the RFP [for the developmental ^Category 2/3 Microwave Landing System] and used a large number of support contractors to do it. The bidders delivered their proposals to a support contractor, not FAA. Bidders had to agree that FAA would use as many as 14 different contractors to help evaluate the proposals.
> >
> > FAA at [that] time had only a very small, clearly inadequate number of qualified MLS engineers, each of whom had responsibilities other than this procurement. Thus FAA is almost totally dependent on outside support contractors to write the specifications and the RFP, and to evaluate the proposals. There are not enough FAA people to guide, control, and supervise the support contractors, let alone deal with the technical aspects.
> >
> > Each of the support contractors strives to perform its assigned tasks as effectively as possible. However, the complexity of the procurement process and lack of adequate internal FAA expert staff to manage and monitor the work can result in duplicative, unnecessary and uncoordinated work. This drives up costs with little corresponding benefit.
> >
> > Excesses in the specification or proposal process seem to become "acceptable" because in theory they add a layer of "protection" for the government. Absent so far in this problematical interaction between the support contractors, some of whose tasks may have grown beyond ready comprehension by the inside-FAA managers, is a willingness by FAA management to call a halt to the excesses in the proposal process.

Developing the FAA Skills Needed for the Future Aviation System

The FAA Research & Development Advisory Committee has discussed the importance of aviation education and the need to stimulate the development of aviation experts for the future.

The recent events in the Persian Gulf give clear proof that our military command structure has been able to adapt to and capitalize on drastically new ways to think about their jobs and benefit from the fruits of technology. This may well be due to the emphasis the DOD has long placed on continuing and advanced education for its managers and officers to broaden their horizons and give them a better vision of the future.

Another practice of DOD is the rotation of officers into various jobs across the spectrum of activities to assure that the officer corps achieves a broad outlook and understanding of system issues. Translating this point to aviation, the French have long used the practice of training its aviation leaders in the aviation school of the Ecole Polytechnique. The graduates are the future managers of the French aviation infrastructure, and the government carefully assures that the executives, trained broadly, move across the disciplines of engineering, procurement, ATC operations etc., and thereby avoid the building of walls between, for example, engineering and operations.

It is well known that FAA in recent years has been buffeted by reductions in its force of technical experts, by loss of a great deal of its technical leadership, and by funding problems, even as the demands on FAA have grown dramatically. It may also be that, to its and to our common detriment, the emphasis on continuing and advanced education may have declined, and the lines between the various service disciplines drawn even more sharply rather than being eliminated.

Considering that FAA Facilities and Equipment program has grown ten-fold in the last few years, while AA staffing has remained essentially static, FAA must be empowered to hire an adequate-size staff of competent technical experts, managed to produce results instead of rules, and to have the ability to hire, fire and reward people.

Personnel/Management Organizational Difficulties

There are skill development, management and career progression problems in several FAA organizations. Yet it must be said in fairness that, in spite of these problems, and with a badly-needed modernization way behind schedule, FAA coped for years with rapidly-increasing traffic and has done it with an enviable safety record.

The recent Review of the FAA R,E&D Program by the blue-ribbon Augustine Panel[1] offered a view which applies to much of FAA, and especially F&E:

> "...FAA needs to take several actions. It must continue to strive, within existing regulations, to hire additional highly qualified scientific and engineering personnel. These persons need to have early career exposure to a variety of FAA assignments, both within the research and development community and in the operational services. Such exposure, perhaps on a three-year rotational basis, would help ensure that managers...understand the operational constraints facing the airspace system..... Senior managers of the FAA research and development program will require sufficient job tenure to provide organizational continuity to a project.
>
> Unfortunately, in some past instances FAA managers may not have received adequate training to implement a truly innovative acquisition program of the type contemplated herein. In fact, the highly ritualized government acquisition regulations discourage such practice. Training is therefore of the utmost importance. In particular, the Panel suggests that the FAA support university programs that are capable of educating students for positions within the FAA, and encourage the development of centers of excellence within several universities to encourage study of disciplines useful to the FAA. Fellowships and sabbaticals at such university centers of excellence should be funded to promote a close interaction between the FAA and the academic community.
>
> Finally, rewards are needed for excelling in the management style suggested above - including bringing needed projects on-line, on time and under budget.
> If FAA personnel are in fact to direct major engineering projects, these individuals must be, or at least once have been, practicing, hands-on engineers themselves. The government should take a leadership role in encouraging academia to offer courses related to FAA missions and promising young employees should be rotated through a variety of positions (operational as well as developmental) during the early phases of their careers."

The FAA Procurement/Acquisition Problem

In 1988, former FAA Administrator Najeeb Halaby, testifying on behalf of a number of aviation groups before the House Subcommittee on Aviation said

> "The secret to success in a high-tech operation has always been innovation and adaptation. If the United States is to continue to lead the world in aviation and its safety, we simply must be willing to alter our approach to the FAA in order to accentuate its ability to adapt and innovate. It must be able to respond on a real time basis -- not years or even decades after technology has passed it by.
>
> ...While implementation of the multi-billion dollar National Airspace System Plan has and will continue to provide a tremendous boost to the FAA's capability to respond to demand,

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[1] Review of the FAA Research, Engineering and Development Program, November 1991, updated January 1993. The primary Augustine Panel included, in addition to Martin-Marietta Board chairman and chief executive Augustine, former FAA Administrators Helms and McLucas, former MITRE Corporation president Robert Everett, USAF Major General Robert Rankine, Jr., NASA Associate Administrator Robert Rosen, ALPA's John O'Brien, McGraw-Hill VP and Publisher John Olcott and AACI-NA's Senior VP-Technical Affairs Poritzky. FAA top management, starting with then-Administrator James Busey, enthusiastically embraced the report.

> it is unfortunately true that the existing procurement process has slowed progress to a substantial degree. As a result, many of today's "new" improvements are no longer state of the art by the time they come on line."

Many of the FAA National Airspace System Plan projects are 4 to 5 years late, will cost more, and will deliver less than promised. Why did this happen? It was a combination of many problems: optimistic schedules; inadequate funding requests and inadequate appropriations; lack of qualified FAA people; frequent reorganizations and the consequent changes in policy direction; outside-contractors doing work which is done better by competent insiders; internal organization problems; management supervision lapses and serious policy mistakes; contractor performance difficulties, and so on.

But the acquisition/procurement process itself is perhaps the most important. A key problem is that the procurement rules and practices, built up over many years, are intended to be scrupulously fair, to protect against fraud, dishonesty or favoritism by the government people involved. The process has gotten so complicated that it is no longer effective. Worse, in applying the process, the ability of the procuring officials to use individual initiative and judgement at any but the highest management level has been severely compromised.

The process has created a "five-foot shelf" of rules. FAA's procurement documents with hundreds of pages and elaborate specifications for every contingency build a process which, as the NAS Plan history has amply demonstrated, is unlikely to insure a high quality, timely product. Somewhere, the point has been missed that, no matter how elaborate, no set of specifications will be perfect, nor will the multi-volume and expensive set of proposals from the bidders give assurance of a good result. In fact, the specifications will prove to be wrong, perhaps in major ways, as the product design and development proceeds. Unforeseen but beneficial changes which can improve the product and which do not appear beforehand need to be encouraged, not deplored.

It seems self-evident that when equipment is procured during a technological revolution, flexibility to adapt to change is crucial if the government is to get its money's worth. The task will inevitably be stifled by a too-rigid process in which every detail is specified.

Another problem is the rules for procurement imposed by the President's Office of Management and Budget (OMB). The OMB process, at its best, is intended to assure that technologies are mature, and that systems are fairly and competitively evaluated before procurement proceeds. It is noteworthy that the process, which injects elaborate rules and rigid "key decision points" on procurement decisions, were imposed at a time presidents were attacking Congress and the "spendthrift" agencies of government. They devised mechanisms to slow the buying and spending process. While this is arguably a laudable motive, the process of making absolutely sure that a procurement is prudent through time-consuming, elaborate validation arrangements is not helpful when there are urgent needs unmet for years. While the intent is to assure well-considered government spending and high-quality products, the reality is frequently just delay and less than up-to-date technology.

The Procurement Process is Out of Control

In protecting against crime and injudicious spending, a process has evolved which serves no one well, and which ties the hands of competent contractors and competent government managers while seeming to get ever more protracted. Every recent FAA Administrator has attempted to improve and simplify the process, with little success.

It is axiomatic in any bureaucracy that when things go wrong -- e.g. in a procurement -- the bureaucracy protects itself by adding a new rule or a new hoop to jump through to prevent the problem from arising again. That inevitability has created the "five-foot shelf". Read FAA's recent procurement documents on program management and software. Their hundreds of pages with elaborate specifications for every contingency builds a process which is unlikely to insure a high quality, timely product. Somewhere, the point has been missed that, no matter how elaborate, no set of specifications will be perfect, nor will the multi-volume and expensive set of proposals from the bidders give assurance of a good result. In fact, the specifications will prove to be wrong, perhaps in major ways, as the product design and development proceeds. Unforeseen but beneficial changes which can improve the product and which do not appear beforehand need to be encouraged, not deplored.

It is difficult for government managers to exercise real control to assure contractor performance. Even when contractors get into difficulty, FAA is frequently unable to adjust contracts, and it is so difficult and time-consuming to cancel a contract and start over that it's an option seldom used. FAA project engineers either lack, or don't use, the flexibility and prerogative to manage a contractor's work. There is too little flexibility in many of the contracts, and when things go wrong, there is no simple way to fix problems.

It seems self-evident that when equipment is procured during a technological revolution, flexibility to adapt to change is crucial if the government is to get its money's worth. The task will inevitably be stifled by a too-rigid process in which every detail is specified. When, as in the case of the new MLS buy, the request for proposals is literally a box full of specifications, and each contractor's bid will cost as much as $2-3 million, something has gone very wrong.

Optimists say that the government procurement process itself does not cause the problems, and that clever use of the system by people willing to take chances and innovate can overcome the problems. Sadly, FAA's internal capabilities have been eroded by continuous reductions of staff, inability to hire and reward competent people, and the rigidities of the civil service system. More important, managers up the line have not been willing to urge the project engineers and managers down the line to innovate and to back them when they do.

The inevitable result is a system in which government people, not rewarded for innovation, revert to a c-y-a mode of operation. Innovation and good sense are subordinated to the safe pile of rules and regulations -- which look good and terribly respectable, but do not yield the needed improvements.

What Can Be Done?

Competition in FAA procurement is of course desirable whenever it is sensible. Yet it is also important to consider the admonition of the famous Dr. W.E. Deming (of "pursuit-of-excellence" fame) to realize that long-term and trusting relationships between customer and supplier are important to the achievement of good products. Thus forced competition, especially for unique items, may not always be wise.

It is important to empower the FAA Administrator to create a new procurement process with the necessary flexibility to modify and adapt contracts to benefit from practical realities. It is essential to change the current FAA procurement culture to encourage project engineers and managers to innovate and cut through red tape, and to require managers to lead and to back them when they do.

FAA might be enabled in the following ways:

1. To eliminate the fiction that quality high tech equipment can be specified and bought in the rigid manner currently used in the procurement/acquisition process. Recognize that money will need to be requested and appropriated to pay for the inevitable and desirable changes and improvements.

2. To permit FAA to use good specifications of needed product performance instead of stacks of probably unenforceable specifications. These must be complemented by simple, comprehensible statements of acceptable workmanship practices coupled with tough requirements to demonstrate practically achievable integrity, reliability, maintainability and availability.

3. To empower FAA to pick contractors based on reputation and performance record, not on price or slick proposals.

4. To empower or encourage FAA managers to use their judgement as to when sole source procurement makes sense, including the use of extraordinary steps to rapidly acquire systems in use outside the U.S.

5. Develop an administrative practice (with legislative help if needed) to help FAA cope with and sustain defenses against capricious protests by losing bidders which delay procurements.

6. To empower the FAA Administrator to create a new procurement process with the necessary flexibility to modify and adapt contracts to benefit from practical realities.

8. To change the current FAA procurement culture to encourage project engineers and managers to innovate and cut through the nonsense, and to require managers to lead and to back them when they do.

A way to achieve the bulk of these improvements may be achievable within the context of the DOT/FAA structure, given the will by Congress and the Administration to innovate. If these steps can not be taken within the government process, Congressional action will be needed to establish a more rational and business-like acquisition system for FAA.

Procurement of Research, Engineering and Development

FAA R&D is just reviving after a period of years in which the NAS Plan needs predominated. FAA top management is trying hard to rejuvenate real R&D. The shortage of qualified FAA experts and the procurement/acquisition problem which makes innovative R&D difficult continue to hurt. Here also, perhaps even more than in the F&E efforts, system integration is crucial, and the path to the future system must be made a part of many R&D projects.

The rigidity and complexity of the procurement process for R,E&D is perhaps even more of a problem than it is for F&E. Quality R&D can not be specified or bought in the rigid manner currently used in the procurement/acquisition process.

Real R&D is stifled by rigid processes; R&D plans and their execution must be encouraged to be flexible and to adapt and change instantly and without penalty when the work reveals to the developers and managers that a change of course is indicated.

R&D is not a homogeneous, standardizable process. R&D is often thought of a commodity which can be ordered and processed like an order of safety pins, and the difficult FAA acquisition and procurement process frequently forces this work into unworkable straitjackets. Real R&D is a large group of different processes which must be tailored to the problems. Often the nature of an R&D project needs to change soon after it is begun, because something new is learned. R&D, if it really that, will fail and must be expected to do so a significant part of the time.

Because of the budget cycle imposed on FAA, major decisions and the narrative R&D plans must be prepared two to three years before the funds are made available. Once a plan is written and approved, it tends to become sacrosanct, and only the cleverest plans are written in artful ways that provide the flexibility to make changes without incurring bureaucratic wrath. Similarly, contracts for R&D are more likely to be rigid to satisfy the procurement process than to have the flexibility to change as knowledge is gained.

R&D plans must always be considered as best efforts which will change as new knowledge is gained. A better budgeting process must recognize the importance of flexibility and innovation based on new facts, and must eliminate impediments to changes of direction when that is sensible.

The Transition of Products from R&D to Practical Use

The FAA R&D Advisory Committee has discussed the traditional difficulty of transferring the products of FAA R&D into the operating system, perhaps attributable in part to the fact that the FAA operating services, and therefore their management structures have not been deliberately exposed to the potential of new technologies and broader visions of the future.

This is not an attack on the dedicated group of FAA controllers and flight safety specialists who have shown their skill and capability over and over again. FAA and its controllers are moving a tremendous amount of traffic, and moving it with an entirely enviable safety record. But it is inevitable that the FAA operating services, faced with the pressures of today, will concentrate on today's problems. It is not sensible to expect that line controllers or their Headquarters graduates, taught to be pragmatic and concrete, would or could be aware of innovations technology could achieve. Nor should they be put into a position to prejudge whether such innovations would work out, -- until they can see, feel and touch them.

It is inevitable in any large organization that a fondness develops for the "tried and true". Allegiances to old ideas and hard-won victories may make new concepts and new technologies less than welcome, especially if such ideas could impact current programs.

In the final analysis, controllers and their spokesmen and managers rightfully insist on the highest quality of technical support, and must have a strong role in assuring that the systems offered them work properly. They must protest against inferior products. They must be vocal about delays when additional facilities or new computer capacity are needed but are tied up for years in the Washington bureaucracy and the latest budget crunch. They must oppose taking on responsibility without the concomitant authority. But they must not have the veto power over innovation. A major effort is needed at the highest level of FAA to resolve this long-standing problem, but FAA has made a valuable start with the formation of its Operations Planning Management Team.

Achievement of System Capacity as a Stimulus for U.S. Competitiveness

Between 1980 and 1987, passenger enplanements in the U.S. grew at average annual rate of 6.7% and everyone scrambled to keep pace with new capacity needs. In the late 1980's and early 1990's, the recession, the Gulf War, the liquidation of Eastern and Pan Am, the continued consolidation of the airline industry, and increasing fares (prior to the more recent fare wars), all led to a marked decrease in demand. Between 1987 and

1991 we had a meager 0.6% average annual increase in U.S system-wide enplanements. Over the same period international traffic grew at a robust annual 9.6%

Yet consider these facts:

Currently 23 airports suffer 20,000 hours of delay or more per year. If a no growth scenario wins the day and nothing is done to increase system capacity, the FAA forecasts that the number of airports with an annual 20,000 hours or more of delay or more per year will increase to 36 by 2001 - a daunting increase.

In 1991 FAA reckons that 297,758 aircraft operations were delayed 15 minutes or more. Even though this is a slight decrease from 1990, can we afford the staggering amount of wasted expense in cost and work productivity?

Passenger enplanements are forecast to escalate from 484 million in 1991 to 706 million in the year 2000, a 43% increase. Yet airport capacity developments are still playing catch-up from the dramatic increases from the 1980's.

This dramatic growth in demand will place tremendous strain on the existing airspace and airport system, and require renewed focus on the requirement to expand system capacity and the R&D to help create it. Despite the almost certainly temporary lull in the growth of demand in the United States, the eventual projected growth is daunting. Even if the growth is very modest, work to increase effective capacity is fully justifiable in the light of the score of airports already burdened with serious delays and delay cost. The inevitably lengthy development and implementation tasks to provide new airport and airspace capacity justifies vigorous effort now to ameliorate the already very serious capacity shortfall and high delay costs at major airports.

Beyond the turn of the century, the picture is naturally more cloudy; but a guide may be a 1988 study by the Transportation Research Board of the National Research Council. They concluded that "Demographic trend data indicate two to three times the 1986 traffic by 2050. Combined with the econometric assumptions of the FAA and Port Authority of New York and New Jersey forecast model (which include GNP and yield), a range of two to six times the 1986 traffic might be expected by 2050". Even at a conservative doubling of traffic for the foreseeable future we are challenged to use our best efforts to bring the new capacity on line.

Sources of Additional Capacity

In considering the issue of system capacity, it is useful to consider the airspace system and the airports, although for practical purposes they must be considered as an integrated entity.

Airspace is, of course, a limited commodity which can not be expanded. Additional capacity is gained by more efficient use of the available airspace. As has been noted, there is a vision of the support infrastructure for the future aviation system is clear and has the broad support of the world's aviation community and a series of efforts is underway in FAA. However to bring these efforts to operational reality in a reasonable time requires an aggressive executive system engineering process to drive the R&D program.

As the aviation system grows more complex, as the technologies grow more capable, as aircraft systems become more sophisticated and have the ability to be partners in, and not just be served, by the air traffic management system, the need for system engineering and air traffic management system integration has become an absolute necessity.

The work required - Research & Development and later implementation - for a number of the evolutionary improvements is clear. But for certain areas of work, the FAA system engineering process must generate system decisions and establish the future system architecture, which can then allow breaking major tasks into manageable development and implementation projects. This requires early and intensive system analysis, support studies, probably simulation, and, above all, a system vision and the willingness by FAA management to make difficult decisions -- usually with less-than-perfect data.

Airport capacity can be treated differently from airspace capacity because it is not a naturally limited commodity. Yet, there are not many sources for additional airport capacity. The secret will be to use these few to our greatest advantage. The 1988 Transportation Research Board (TRB) study stated them succinctly:

Optimize the Present Airport System
    Physical airfield and terminal improvements and expansion
    Ground access enhancement
    Procedural/operational changes and flow management
    Use of new capacity technology

[The Transportation Research Board Panel estimated that such optimization of the present airport network by technological and managerial measures, "even if fully successful, might enable the present airport network to handle a level of traffic no more than 50% greater than that of today"]

Add New Airports in Cities with the Most Serious Congestion

Add New Type of Airport - the "Remote Transfer Airport"

New Vehicle Technology
    Aircraft - Large and Vertical/Short Takeoff and Landing aircraft
    Surface Transportation Technology

Smaller airports are likely to be major players in the provision of new capacity beyond that available from expansion of existing major airports and new technology. In its 1989 Airport Capacity Enhancement Plan, FAA identified, for each of the airports then estimated to be congested by 1997, available airports within approximately 50 miles of the delay-encumbered airport.

A Bottom Line on U.S. Competitiveness

If FAA is a belwether for the consideration of regaining and retaining U.S. competitiveness, the above example of system capacity is a useful one. In terms of technologies, the keys are in the revolutions in communications and computers/data processing. They apply to FAA as they do to many other areas. Satellite technologies are a subset which will have a profound impact on aviation navigation and surveillance. It is one of several areas in which the U.S. leads and can remain the major player -- if it chooses to do so.

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Mr. HOWARD. I will be glad to answer any questions.

Mr. CARR. Thank you very much, Mr. Howard.

MONDAY, MARCH 29, 1993.

AIR TRANSPORT ASSOCIATION OF AMERICA (ATA)

WITNESSES

J. ROGER FLEMING, SENIOR VICE PRESIDENT, OPERATIONS AND SERVICE, ATA

JOHN R. RYAN, VICE PRESIDENT, AIR TRAFFIC MANAGEMENT, ATA

Mr. CARR. I think we will take everyone in turn. And then we will have, I am sure, a few questions.

Mr. Fleming and/or Mr. Ryan.

Mr. FLEMING. Mr. Fleming volunteers for the moment, Mr. Chairman. Thank you.

Mr. CARR. Is Mr. Ryan with you?

Mr. FLEMING. He is, indeed, right here.

Mr. Chairman, Mr. Murlis of ATA appeared before you on March 10th when he testified on the financial condition of the airline industry. And my colleague, Mr. Howard, has already mentioned that occasion.

Mr. Murlis suggested steps this subcommittee and the full committee might take to improve the health of the industry. Prominent among those measures he mentioned were improvements in the ATC system. He estimated that ATC delays costs the airline industry about $2 billion a year. And as you may recall, in 1992 the industry lost about $4 billion.

Therefore, it is obvious that steps that could be taken to reduce the cost of delays would benefit the airlines greatly. And it is for this reason that our testimony focuses on funding initiatives that will produce efficiencies in the national airspace system leading to reduced operating costs for airlines as well as other users of the instrument flight rule system.

Turning first to the facilities and equipment account, we recommend a total funding level of $3 billion, which is considerably above the $2.5 billion level requested by Secretary Pena when he appeared before you on March 25. We are painfully aware of the difficulty of achieving a $3 billion level of appropriation. But we would note that facilities and equipment is the cornerstone for FAA's mass modernization plan. And this is the level that we believe is required to satisfy the real need.

The core element in the modernization plan, of course, is the Advanced Automation System. And there has been a great deal of press about the problems associated with the AAS program of late. The airlines are greatly concerned about the additional delays in the program. And we have been particularly concerned about some of the background rumbles suggesting that the FAA should go back and restart the whole program. This, we believe, would be disastrous. We can't start over and suffer the years of additional delay that would be required to do that.

The procurement cycle for major FAA systems acquisitions, as you know, is extraordinarily lengthy. FAA and IBM must press ahead with the initial Sector Suite System and the Terminal Advanced Automation System. They also have to find a way to bring forward the initial AERA services, Automated En Route ATC services so that the users will get some benefit earlier on from the promised operating benefits of the AAS program.

Mr. Chairman, we provided eight specific recommendations in our testimony. They are found on pages 7 and 8. I won't go through them now. You can read them at your leisure. But we urge that you explore these recommendations with FAA representatives when they appear before you later this month or in the coming month.

We have also highlighted some other ATC priorities under F&E, three TRACON construction programs. The trouble there is the three program and CTAS, Center TRACON Automation System. We have also provided a list of location specific facility and equipment needs. All of these latter items are intended to improve operational capability of safety at those locations. And as you will notice, many of them are, in fact, airport specific; however, they are, indeed, F&E items.

Turning now to the RE&D program, we, too, recommend an appropriations level of $300 million. And again our recommendations focus on programs where application of technology offers promise of significant enhancements in operating efficiency and safety as well as reduced costs of operation.

First of these is the satellite navigation program, which was based in its early years upon the USGPS system. The later GPS system will have to be augmented.

Second of these programs is data link development and applications. And in both of these programs, I would add that we have, I think, excellent, ongoing cooperation between government and industry. And I think our progress will be limited only by our ability to make sound systems engineering decisions and to fight our way through the institutional issues that are involved in implementing change. And those can be very formidable.

The third ATC-related highlight we focused on is completion of development of field testing of the one element of CTAS which is known as DA or Descent Adviser. And a modest funding increment is required for implementation of field testing for that particular element of CTAS.

And, finally, Mr. Chairman, I would like to close with a request that the committee consider an enhanced level of funding for FAA's national plan for aviation human factors. Aviation professionals are well aware that human error contributes to 80 to 90 percent of all aviation accidents. We are not going to be successful in reducing accident rates in the future unless we carry out the needed human factors research and then implement the lessons learned. The human factor program tends to be soft in the sense that it doesn't result in deliverables that you can touch, feel, see, hardware or software; and that always makes this particular program susceptible to cuts. And those cuts are indeed short-sighted. The most knowledgeable and respected advocate of the human factors research program, that I know, is NTSB board member, John Lauber.

If your future schedule permits, you might want to ask Mr. Lauber his views on the need to pursue this program and why it is so important. I think he is probably the most eminent authority on the need for a coherent and systematic long-term human factors program.

This completes my statement, Mr. Chairman. Jack Ryan and I are available at your pleasure for questions.

Thank you, sir.

Mr. CARR. Thank you very much, and we appreciate the compendium of the survey of the various airport needs on F&E. That is always very helpful, and we do look at it and appreciate its detail.

[The prepared statement of Mr. Fleming follows:}

Statement of J. Roger Fleming
Air Transport Association of America
Before the House Committee on Appropriations
Subcommittee on Transportation, on
DOT and Related Agencies Appropriations for FY 1994
March 29, 1993

I am J. Roger Fleming, Senior Vice President - Operations and Services, of the Air Transport Association of America. I am accompanied by Mr. John R. Ryan, Vice President - Air Traffic Management. We appreciate this opportunity to appear before the Committee to discuss the fiscal year 1994 appropriations priorities of the nation's commercial airlines, which ATA represents.

As I am sure you know, Mr. Chairman, losses for U.S. air carriers exceeded $4 billion dollars last year, and totalled over $10 billion for the past three years. Over that time frame, three major airlines, Pan American, Eastern and Midway failed to recover from bankruptcy and ceased operations, and three others, Continental, TWA, and America West entered bankruptcy. Earlier this month, the creditworthiness of the nation's three most financially sound air carriers, American, United and Delta, was reduced by Standard & Poors. Clearly something is wrong in the airline industry.

We in the industry are doing our part to try and turn this bleak financial picture around. In addition to keeping prices low to maintain demand, steps have been taken by individual carriers to reduce capacity as well. Aircraft order cancellations and deferrals have been announced, the down-sizing of hub operations at certain airports is in the works, and regrettably, over 100,000 airline jobs have been eliminated over the past three years. The net effect of these, and other associated efforts, has been the creation of a leaner and highly competitive airline industry.

All of these cost reduction steps are being taken in a concerted effort to help return the industry to sustainable profitability. That brings me to the central focus of this testimony. The funding initiatives we will be proposing today are, by and large, calculated to produce efficiencies in the national airspace system which -- when implemented -- will lead to further significant reductions in airline operating costs.

Unfortunately, in testifying today with respect to funding initiatives supported by ATA, we are unable to be as specific as we have been in previous years. That is because in years past our testimony has been prepared with the benefit of public disclosure of the FAA's proposed budget for the coming fiscal year. This year is different. As you know, Mr. Chairman, the FAA has yet to present its formal budget submission. For that reason my testimony will be of a more general nature than usual, focusing on program areas where we anticipate an insufficient funding request.

FACILITIES AND EQUIPMENT

The foundation for a viable and efficient ATC system is reliable and efficient equipment for communications, navigation and surveillance, as well as automation and the other tools air traffic controllers need to manage the nation's air transportation system safely and without excessive delay. The architect's plan for long-term system improvement is the FAA's Capital Investment Plan (CIP).

ATA member carriers have supported the CIP since its inception. The program is fundamental in keeping the ATC system safe and making it more efficient. One of the more important reasons the ATC system is not as efficient as it could be is the lack of modern automation tools.

The most important and vital program for improving the Air Traffic Control System is the AAS or Advanced Automation System.

The recent announcement of a 14-month delay in the Advanced Automation System has placed the program in jeopardy and demonstrates the past inability of FAA and the contractor to manage the AAS requirements process. A program of this magnitude and importance requires the dedicated effort of the best that the government and computer industry have to offer and it is clear that in order to successfully implement such a program, increased oversight by top FAA and contractor management is necessary, including the introduction of tight discipline in the requirements setting process.

It is crucial that the most important phases of the Advanced Automation System continue and be supported by the industry and Congress. We cannot cancel the program and start all over.

We believe that the phases of the program which still can be implemented are: the initial sector suite system (ISSS) and the terminal advanced automation system (TAAS). These phases of the AAS are important to replacing old technology and providing the base system for future expansion. The first meaningful productivity improvement to AAS -- from the viewpoint of the airlines and other users -- is the advanced enroute automation phase known as AERA. The software program known as "Initial AERA Services" should be pursued in parallel with the ISSS and TAAS phases, to be ready for implementation as soon as possible after ISSS and TAAS are delivered.

The TAAS program is likely to change rather dramatically due to the FAA's recent but unannounced change in plans to _not_ consolidate all the Terminal Radar Approach Control (TRACON) facilities into the 22 enroute Air Traffic Control Centers and the New York TRACON.

For many reasons, both technical and political, this consolidation goal is apparently no longer realistic. We believe that FAA now plans to consolidate some of their TRACONS (about 38) into 10 locations. They no longer intend to combine enroute and terminal air traffic control facilities. This will leave 170 small TRACON facilities that are not presently provided for in the TAAS plan. This is a crucial decision because it now requires FAA to rethink the automation solution for small TRACONS. The answer is definitely _not_ to begin a new acquisition process for these facilities because of the lengthy period of time required to complete a new acquisition.

There is an urgent need to expedite the implementation of new automation technology at many terminal locations. These improvements have been on hold, due to the delay in the automation of enroute air traffic control facilities. Advanced automation for terminal airspace is now scheduled for 1997 at the earliest. The existing terminal facility automation equipment is 1960-vintage, capacity-constrained technology. The equipment is increasingly difficult to maintain, and must be replaced. The TAAS element of the Advanced Automation System is fundamental to the need for terminal automation and must be accelerated, so that FAA can implement the technology at high priority terminal airspace facilities. In addition, a decision must be made soon on modifications that may be needed to TAAS to satisfy requirements of the 170 smaller TRACONS.

ATA had the opportunity to meet with FAA and IBM leadership a few weeks ago to help us to better understand the dilemma and to consider a constructive course of action.

FAA's Acting Administrator Del Balzo acknowledged that perhaps the most serious causes of the present situation were of FAA's own making. The most important, incredibly, has been the lack of active involvement of senior management in the resolution of the growing difficulties. Top management did not adequately monitor the process of laying out and then controlling the functional requirements the contractor was expected to meet. It is clear now that continuous, well-meaning changes in the details of what was actually required of AAS created a serious, self-imposed problem for FAA. The process of establishing requirements went on far too long without crystallizing the design, and the learning processes and changing perceptions by successive groups of ATC people kept the system needs and specifications in flux, exacerbating delay and cost problems. As noted above, that process created a situation in which delay and cost rose as new requirements kept being added. During the process IBM lost control of the program's baseline.

We believe that the steps now taken and announced by FAA are prudent and we support them, subject to the recommendations below and assuming continuing vigilance and discipline by FAA and the contractor to assure that valid controller and user concerns are accommodated without generating additional delays. We believe the real challenge is to assure continuity of purpose and leadership to keep this program on the proper path.

Recommendations on AAS

As previously stated, we cannot allow the cancellation of AAS followed by a new start. We agree that the proposed schedule of first operational commissioning of the Initial Sector Suite System in October 1996 is probably the best that can be achieved, but we believe this schedule milestone must be strictly adhered to. We further recommend that FAA restructure the AAS contract to insure the early completion of elements which can be fielded to achieve early benefits: ISSS and TAAS. If Congressional relief is needed to empower FAA to undertake such restructuring, we urge that such relief be given.

The first commissioning of real automation aids for controllers which will improve the system operation for airspace users can't be allowed to be delayed until after 2000. Therefore, we recommend that FAA:

1. Establish an internal advocate for the needs of the airspace users to balance these needs with the needs of the FAA organizations. We believe a "new contract" between FAA and the users is essential if user support for the program is to continue. We recommend that FAA, perhaps through this inside advocate, work with the user community on a recurring basis, possibly quarterly, to provide regular reviews of schedule and cost milestones as well as candid advice on obstacles that are impeding timely deployment in the field.
2. Proceed aggressively with the Initial Sector Suite System as the foundation for what is to follow, freezing requirements soon, resolving remaining open issues and establishing a discipline for dealing with changes in requirements. Establish October, 1996 as a firm date for first commissioning.
3. Decide soon on FAA facility consolidation. If the development and implementation of AAS is to proceed sensibly, it is essential that the long delayed decision on FAA facility consolidation be made rapidly. Additional uncertainty, costs and delays must be expected if the consolidation decisions are further delayed. The decision must be made now. We do not have the time to wait for a study of consolidation options by a new FAA Administrator.
4. Pursue aggressively the early implementation of the Automated Enroute Air Traffic Control System (AERA) functions and introduce the capability in Seattle immediately after commissioning of ISSS in order to provide valuable benefits to airspace users.

5. Proceed rapidly with the development of the Terminal Advanced Automation System (TAAS) as the appropriate system evolution for major terminals (TRACONS).
6. Move rapidly to system decisions with respect to the right solution for smaller TRACONs, recognizing the benefits of using the already written TAAS software and AAS contractual arrangements for these systems. There are strong indications that replacing ARTS hardware as soon as possible will result in substantial savings to the FAA. There is no reason to wait until the commissioning at Seattle of ISSS to implement TAAS at smaller TRACONS.
7. Pursue aggressively early implementation of the Terminal Area Traffic Control System, starting with the Center TRACON Automation System (CTAS). Initial CTAS applications should be on existing ARTS-III systems at facilities with digital displays and their enroute facility counterparts. Plan on the earliest possible national implementation of Terminal Air Traffic Control Automation (TATCA) capabilities (and related airport surface automation capabilities) on the TAAS.
8. Review, and reach decisions within 12 months, as to whether the Area Control Computer Complex (ACCC) and the Tower Control Computer Complex (TCCC) are still the best solutions. As needed, modify the system architecture to encompass the new requirements.

We are reassured by the intervention of IBM's Federal Systems Company CEO Gerry Ebker in the management of AAS day-to-day activities. He brings a wealth of experience, tenacity and discipline to the process. These attributes are sorely needed. However, I would feel more confident about the FAA's management of AAS if Messrs. Hurley of Air Traffic and Kelly of Airways Facilities continued to play a permanent and more formal role in the AAS program management and reported directly to the FAA Administrator.

Other ATC Priorities

There are three capital building projects that require the continuing support of the Committee. The DFW Metroplex program, the Southern California Terminal Radar Approach Control and the Chicago Terminal Radar Approach Control must be funded so that these important facilities can be improved to provide the needed capacity in these three top markets.

It has been over two years since the tragic USAir/Sky West accident at Los Angeles took place. There was much concern at that time about the inability of the FAA to field the improved ASDE-3 equipment which had been in development for some time. Mr. Chairman, I am sorry to say that the FAA still does not have a commissioned ASDE-3 system. As you know, the FAA is developing an Airport Movement Area Safety System (AMASS) which will detect potential runway incursions and conflicts between aircraft upon approach and aircraft on active runways. The sensor that AMASS utilizes to perform this function is the ASDE-3. We request the Committee to direct FAA to provide a status report and implementation plan on the ASDE-3 program as soon as possible.

With regards to AMASS we believe that the Committee must support FAA's budget request in this area to insure that this important safety program can come to fruition.

ATA is very enthused about the center tracon automation system (CTAS) now being worked on by NASA under agreement for FAA. This system is composed of the traffic management advisor, the descent advisor and the final approach spacing tool. When added to the present ARTS III and enroute centers, CTAS will increase the throughput in airspace around airports and increase airport capacity. This increase in efficiency is badly needed by the ATA air carriers. We recommend appropriations of $18 million under the budget category of "terminal air traffic control automation" for these improvements. These funds will accelerate the program and enable the FAA to deploy CTAS at 10 sites starting in 1995.

Other F&E Needs

Mr. Chairman, attached to this testimony is a list of airline F&E needs at specific locations.

OPERATIONS AND MAINTENANCE

Although we do not know what FAA proposes for maintenance staffing, we are reasonable sure that it is inadequate, as it has been over the past several years. Last year we recommended an additional 225 technicians be added to the airway facility work-force. We recommend the same number for this year.

The current maintenance technician staffing problem will not be completely addressed by adding staff. The use of limited outside contractor support is needed to assure that FAA is able to keep the National Airspace System operating safely and efficiently as seasoned maintenance technicians retire and new equipment installations add to the workload.

FAA hired a technical system support contractor to augment the maintenance technician work force. We understand they will need about $10 million in FY'94 to use the contractor in field locations where they are experiencing staffing shortages in their maintenance work force.

RESEARCH, ENGINEERING AND DEVELOPMENT

We recommend that the Committee appropriate $300 million in 1994 for FAA R,E&D. This level is needed to insure that the FAA, the airlines, the airports and other closely related elements of the civil aviation industry are prepared to meet the challenges of the future. We recommend the Committee focus on four priority programs: data link communications, satellite navigation, human factors, and Center/TRACON automation.

Data Link Communications

While the aviation user community is moving forward with technology advancements applicable to the future of air traffic control, the FAA continues to lag seriously in this area. For example, the first Boeing 747-400 equipped with fully certified avionics capable of satellite data communication (SATCOM) capability needed for automatic dependent surveillance (ADS) was delivered in September 1990 to United Airlines. ATA member airlines worked vigorously with the aerospace industry and the FAA for several years to achieve this objective. United States and international airlines, as well as international business aviation, are taking delivery of many more aircraft equipped with this capability. Improvements to oceanic air traffic control, including use of ADS to reduce separations and enable timely reclearances, are vital to achieving an acceptable return on investments made by the airlines and business aviation. We expect the delivery rate of new aircraft equipped with SATCOM to increase and some airlines will be retrofitting some of their aircraft with satellite communication and the Global Positioning System (GPS) for navigation. The airlines are relying heavily on the planned ATC system automation improvements for increased efficiency and capacity in oceanic airspace.

We recently discovered that FAA has made no provisions to implement air ground data link communications in ISSS. This is an oversight which we hope this Committee will help to ensure is corrected.

The airlines have spent millions of dollars developing and pursuing certification of data link communications in anticipation that FAA will have the capability to accommodate data communications in the near future. Many of the airlines have recognized the value of data communications and have been using it in place of voice communications for many years. A major effort by government and industry is needed to accelerate the introduction of data communications into all aspects of aviation operations in order to improve communications quality, reduce communications and systems costs and to realize the operational efficiencies that will be possible with this technology.

FAA has requested RTCA ("Requirements and Technical Concepts for Aviation") to organize a Task Force to develop government/ industry consensus recommendations on an aviation communications systems architecture and signal structure to facilitate introduction of more capable data communications. The Task Force is also to recommend priorities for transitioning various aviation functions and applications to the new communications capability, as well as a transition strategy.

The RTCA activity will start April 6, 1993. The Task Force is titled, "The Transition to Digital Communications: Achieving Optimum Information Flow in the Aviation System."

A closely related initiative is being discussed by FAA and industry: establishment of a consortium to accelerate development of key elements of the future aviation communications system known as the Aeronautical Telecommunications Network (ATN). The consortium approach is intended to shorten the development cycle time for ATN "routers" - nodes in the communications network that insure ability for data and voice messages to move swiftly to the addressee over a series of interconnected networks.

The data link initiatives outlined above will require R,E&D funding in excess of FAA's expected request. We estimate that an additional $8 million is required.

Satellite Navigation Program

The transition to space-based communication, navigation and surveillance (CNS) services, and especially early applications of the U.S. Global Positioning System (GPS) for civil aviation, enjoys broad support within the U.S. aviation user community. ATA member airlines are extremely enthusiastic about this program and are moving ahead to exploit the potential operational advantages of satellite-based navigation service, as well as communications and surveillance functions. FAA has wisely embarked on a course of action intended to produce government/industry consensus on a broad range of technical issues related to satellite navigation.

The FAA program is described in detail in the agency's "Satellite Navigation Program Master Plan, FY 93-98." The plan was developed with benefit of input from a 1992 RTCA Task Force, the airlines and other airspace system users, and we applaud FAA for this effort.

ATA member airlines are intensely interested in exploiting the potential operational advantages offered by satellite navigation capabilities. Significant safety advantages are possible, as are reductions in cost of aircraft operation as well as acquisition and maintenance of costly current generation avionics equipment.

The FAA Satellite Navigation Program Master Plan describes seven major projects. Airlines are working cooperatively with FAA on most elements of the seven projects but are focusing on the two projects titled, "Local Area Differential Concepts Down to Category I" and "Category II/III Concepts." The first project is intended to establish the technical requirements for FAA certification to operate to Category I weather minimums. These technical requirements include need for Global Positioning System (GPS) augmentations such as local differential signal corrections, definition of the data link to deliver the corrections to the aircraft and testing to determine the best means to satisfy system integrity requirements. The ATA airlines have established an objective to achieve the first GPS-based FAA Category I certification approval in an airline airplane during 1994. This work will establish the basis for all airspace system users to achieve Category I capability.

The second major project on which airlines are focusing is Category II/III concepts. This is a longer term effort. If the project is successful, and we are optimistic about the outcome, complete precision approach capability down to Category III minimums will be available to support airline operations, without need to rely on ground-based radio navigation systems. The potential cost savings for both operators and systems providers - FAA in the U.S. - are substantial.

Additional funding will be required for FAA's satellite navigation program in order to pursue the aggressive program outlined above. Test flights of airline type aircraft will be required in order to achieve certification of the Category I capability. We recommend that the funding level for this program be increased by $5 million above the expected FAA request.

Human Factors Research

Human error, either in the air or on the ground, is involved in 80 to 90 percent of all aviation accidents. Identification of both the causes of human error and the means to reduce the risk of such error presents the most promising approach for reduction in accident rates. In FY 1993 we requested that funding for this program be increased by $10 million above the level requested for FAA. Unfortunately, it was not possible for the Committee to accommodate this request. The need for execution of this program has not abated. Both FAA's and NASA's portion of this important work should be funded at levels above those in the Administration's request if the travelling public is to realize significant safety enhancements. We recommend an increment of $10-20 million above the level likely to be requested for this program by FAA.

Center/TRACON Automation (part of TATCA Program)

There is an on-going need to provide controllers with better automation tools to increase efficiency and reduce workload at the major airports in the NAS system. We are encouraged by the recent decision made in FAA to field test the Center/TRACON Automation System (CTAS) program developed by NASA Ames. It is our understanding that field testing of the Traffic Management Advisor (TMA) part of the system has been successful in Denver. The next logical step in implementing CTAS is to implement the Descent Advisor (DA) function of the system which FAA and NASA began last year with the added funds you provided. Additional funds will expedite the implementation of this important project. We therefore request $3 million in the FAA, R,E&D appropriation, and ask that FAA be directed to use these additional funds to expedite implementation of the DA function of CTAS.

RTCA Support

We recommend that $300,000 be made available within the R,E&D appropriation to Requirements and Technical Concepts for Aviation (RTCA), a non-profit organization, to develop Minimum Aviation Systems Performance Standards, Minimum Operational Performance Standards and such other special studies that may be requested by FAA to enhance safety, efficiency and capacity of the nation's airspace system and to facilitate the introduction of new technology into that system for the same purposes.

Mr. chairman, we have mentioned the important role that is being played by RTCA several times in the preceding testimony. The organization assists FAA and industry in a number of ways. RTCA plays a pivotal role in developing government/industry consensus on the introduction of new technology into the National Airspace System. For a number of reasons, government funding support for this organization has decreased at the same time that industry is unable to significantly increase its level of financial support.

AIRPORT IMPROVEMENT PROGRAM

The Airport Improvement Program deserves special attention this year. For the past several years, the AIP program has received increased funding year-over-year, for which we are grateful. However, with the proliferation of Passenger Facility Charges, now is a good time to take a hard look at airport capital spending priorities and to place more rigorous requirements on outlays.

The FAA, in attempting to solve the capacity problems at airports, insists that pouring new concrete is the sole solution. As ATA testified before this Committee on March 10, this is not the case -- the problem is generally "upstairs" in the air traffic control system. However, because FAA justifies so many projects in the name of "capacity expansion," airport operators are encouraged to build with little regard to actual capacity gain. Simply because a construction project adds maneuvering space does not mean that it adds capacity, let alone needed capacity. Hence, there are many projects which if analyzed on a true basis of need and cost-benefit, should never be attempted.

Accordingly, we are not advocating a specific dollar amount for the AIP program at this time. Instead, we call on this committee to challenge FAA to truly enforce the user consultation provisions already included in the AIP legislation and to require the FAA and airport operators to justify, on the basis of real need and cost/benefit, the funding for construction of new facilities prior to the allocation of AIP monies or the approval of a PFC application.

Another area of concern related to the Airport Improvement Program is the proliferation of Letters of Intent (LOI). Our concerns are very basic: to date, the FAA has issued 34 LOIs, some of which are for projects which raise the question of why a project requires an LOI. For example, FAA has issued LOIs for projects such as the acquisition of airport rescue and fire fighting vehicles in Santa Ana, California and to groove and overlay a runway in Elmira, New York which seems to us to be a routine maintenance item. We understand that GAO is conducting a study to determine whether or not a cap should be imposed on the LOI program. We support that concept, and ask in addition to a cap, that this Committee require more stringent conditions on the issuance of LOI's so that this funding tool, which can be beneficial, is not used for routine multi-year projects, but rather is issued for extraordinary projects which otherwise would be susceptible to funding shortfalls.

This concludes my statement Mr. Chairman. I will be pleased to answer your questions.

AIR TRANSPORT ASSOCIATION OF AMERICA (ATA)
AIRLINE INDUSTRY SURVEY OF AIRPORTS FY 1994 F&E REQUIREMENTS

March 22, 1993

STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
AL	BHM	Localizer RW 18	New	Lower Landing Minima
AL	HSV	CAT III ILS R 18R	New	Lower Landing Minima
		RVR (Rollout) R 18R	New	Required for CAT III
		RVR Touchdown R 18L	New	Lower Landing Minima
		CAT I ILS R36R	New	Lower Landing Minima
		MALSR R363	New	Lower Landing Minima
		RVR Touchdown R 36R	New	Lower Landing Minima
AL	MOB	RVR Touchdown R32	New	Lower Landing Minima
AL	MGM	RVR Touchdown R27	New	Lower Landing Minima
AK	ANC	CAT I ILS R14	New	Capacity
AR	LIT	DME R 22R	New	Improve ILS Procedures Justification submitted IAW FAA ASP78-7
AR	LIT	CAT II R 22R	Replace	Capacity
		ALSF-2 R 22R	Replace	Support CAT II
		RVR (T-M-R) R 22R	New	Support CAT II
		CAT I ILS R4R	New	Capacity
		MALSR R4R	New	Capacity
		RVR R4R	New	Capacity
		RVR R 22L	New	Capacity
		REIL R 22L	New	Safety
CO	HDN	Control Tower	New	Safety
		RVR R10	New	Lower Minima
	GVC	Control Tower	New	Safety
		RVR R6	New	Lower Minima
	GJT	RVR R11	New	Lower Minima
		ASR	New	Safety
CT	BDL	Rail R33	New	Improve Landing Minima
FL	DAB	Cat I ILS R25R	New	Lower Landing Minima
		MALSR R25R	"	"
		RVR (Touchdown) R25R	"	"
		Cat I ILS R34	"	"
		MALSR R34	"	"

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
FL	FLL	RVR(Touchdown) R27 R	New	Obtain RVR Minima
		CAT III Upgrade R 27R	Replace	Tower Minima
		ALSF-2 R 27R	Replace	•
		CAT I ILS R 9R	New	•
		RVR Touchdown R 9R	New	Obtain RVR Minima
		Loc R 27L	New	Lower Minima
		LOC R31	New	•
	RSW	CAT I ILS R24	New	Lower Minima
		MALSR R24	•	•
		RVR (Touchdown) R24	•	Obtain RVR Minima
	GNV	CAT ILS R10	New	Lower Minima
		MALSR R10	•	•
		RVR (Touchdown) R10	•	Obtain RVR Minima
		RVR (Touchdown) R28	•	•
	JAX	G.S. R25	New	Lower Minima
		MALSR R25	•	•
		RVR (Touchdown) R13	New	Obtain RVr MInima
	MLB	CAT I ILS R 27L	New	Lower Landing Minima
		MALSR R 27L	•	•
		RVR Touchdown R 27L	•	•
FL	MIA	RVR (Midpoint) R 9R	New	Lower Takeoff Minima
		RVR (touchdown) R 9R	New	•
		RVR (midpoint) R 12/30	New	•
		RVR (touchdown) R/2	New	Obtain RVR Minima
		MALSR R12	New	Lower Landing Minima
		65 R30	New	•
		RVR (Touchdown) R 30	New	Obtain RVR Minima
		CAT III ILS R 27R	Replace	•
		ALSF-2 R 27R	Replace	•
		RVR Midpoint R 27R	New	•
		RVR (Touchdown) R 27R	New	•
		DME at Loc R 27R	New	Improve Efficiency
		VOR-DME (on airport)	New	ATC Benefit
		DME Loc R 27L	New	Efficiency
		ASDE	New	Safety
	MCO	Cat III Upgrade R 36R	Replace	Obtain CAT III Minima
		CAT I ILS R18L	New	Lower Landing Minima
		MALSR R 18L	New	•
		Upgrade RVR's R18L-36R	Replace	Obtain CAT III Minima

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
FL	MCO	CAT III ILS Upgrade on RW 18R	New/Repl	Obtain CAT IIIB
		ALSF-2 Upgrade on RW 18R	New/Repl	Obtain CAT II/III Minima
		Upgrade RVRs on RW 18R/36L	New/Repl	Obtain CAT IIIb Minima
		CAT III ILS RW/36L	New	Obtain Cat II/IIIb Minima
		ALSF-2 on RW 36/L	New	Obtain CAT II/III Minima
		CAT III ILS Upgrade RW 17	New/Repl	Obtain CAT IIIb Minima
		Upgrade RVR's on RW 17/35 (New)	New/Repl	Obtain CAT IIIb Minima
		DME at Localizer RW 36R	New	Enhance Efficiency RW 36R
		VOR DME on Airport	New	Enhance ATC Movement
		ASDE	New	Safety
		CAT II ILS on Both RW 17L & 35R	New	
		ALSF-2 on Both	New	
		RVRs (CAT IIIb) on RW 17L/35R	New	
FL	PNS	CAT I ILS on RW 34	New	Obtain Lower Landing Minima
		MALSR RW 34	"	"
		RVR (Touchdown) RW 34	New	Obtain RVR Minima
		CAT I ILS RW 25	New	RW to be Extended
		MALSR on RW 25	New	Lower Landing Minima
		RVR (Touchdown)RW 25	New	Obtain RVR Minima
FL	PIE	RVR (Touchdown)RW 17L	New	Reduce Landing Minima
		RVR(Midpoint)RW 35R		Lower Takeoff Minima
		CAT I ILS RW 35R		Reduce Landing Minima

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
FL	PIE	MALSR RW 35R	New	Reduce Landing Minima
		RVR (Touchdown) RW 35		Obtain RVR Minima
FL	SRQ	RVR (Touchdown) RW 14	New	Obtain RVR Minima
		RVR (Touchdown) RW 32	•	•
FL	TLH	CAT I ILS RW 9	New	Lower Landing Minima
		MALSR RW 9	•	•
		Upgrade RVRs RW 27	New/Repl	Obtain CAT IIIb Minima
		Cat III ILS Upgrade RW 27	New/Repl	CAT IIIb Capability
		Control Tower	New/Repl	Airport Expansion Efforts
FL	TPA	CAT III ILS Upgrade RW 36L	New/Repl	CAT IIIb Capability
		Upgrade RVRs RW 36L	New/Repl	Obtain CAT IIIb Capability
		DME RW 36L ILS	New	Enhance Approach Capability
		DME on RW 18L ILS	New	•
		CAT III ILS Upgrade RW 18L	New/Repl	Obtain Lower Landing Minima
		ALSF-2 Upgrade RW 18L	New/Repl	•
		ILS on RW 36R	New	•
		MALSR RW 36R	New	•
		RVR (Touchdown) RW 36R	•	Obtain RVR Minima
		CAT I ILS RW 27	•	Lower Landing & RVR Minima
		MALSR RW 27	•	Obtain Lower Landing Minima
		RVR (Touchdown) RW 27	•	•
		ASDE	•	Safety
FL	PBI	CAT I ILS RW 27R	New	Obtain Lower Landing Minima
		MALSR RW 27R	•	•
		RVR (Touchdown) RW 27R	•	Obtain RVR Minima
GA	ATL	Rail on RW 27R	New	Provide Lower Landing Minima
		CAT III ILS Upgrade RW 18L	New/Repl	Provide Two Landing Runways During CAT IIIb Weather
		Upgrade RVRs on RW 8L	New/Repl	Obtain CAT IIIb Minima
		CAT III ILS Upgrade RW 26R	New/Repl	Obtain CAT IIIb Minima
		ALSF-2 Upgrade RW 26R	New/Repl	Obtain CAT IIIb Minima
		CAT IIIb ILS Upgrade RW 27L	New/Repl	Obtain CAT IIIb Minima
		ALSF-2 Upgrade RW 27L	New/Repl	Obtain CAT IIIb Minima
		ASDE Upgrade	•	Enhance Movement of Aircraft
GA	AGS	VASI on RW 8	New	Enhance Safety
GA	CSG	CAT I ILS RW 23	New	Obtain Lower Landing Minima
		MALSR RW 23	•	•
		RVR (Touchdown) RW 23	•	Obtain RVR Minima

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
GA	SAV	CAT III ILS RW 9	New	Obtain CAT IIIb Minima
		ALSF-2 RW 9	New/Repl	•
		RVR (Midpoint) RW 9	New	•
		RVR (Rollout) RW 9	•	•
		CAT I ILS RW 27	•	Safety & Lower Landing Minima
		MALSR RW 27	•	Lower Landing Minima
		RVR (Touchdown) RW 27	New	Provide RVR Minima
		RVR (Touchdown) RW 36	•	Enhance Operations
IL	CMI	GS on RW 14R	New	Lower Minimums
		MALSR RW 14R	New	Lower Minimums
		RVR RW 14R	•	•
		ILS RW 14R	•	•
IL	MDW			
		MALSR RW 4R	New	•
		RVR RW 4R	•	•
		RVR RW 22L	•	Lower Minimums
		MALSR RW 31C	•	•
		RVR RW 31C	•	•
IL	ORD	RVR RW 4L	New	Lower Minimums
		RVR RW 22R	•	•
		CAT II/III RW 4R	Replace	•
		ALSF-II RW 4R	•	•
		RVR RW 22L	New	•
		CAT II/III RW 9R	Replace	Upgrade Equipment
		ALSF-2 RW 9R	•	•
		CAT II/III RW 27L	•	•
		ASDE III	•	Safety
		RVR RW 4R	New	Lower Minimums
		CAT II/III RW 27R	•	•
IL	MLI	GS RW 27	New	Lower Minimums
		RVR RW 27	•	•
IL	PIA	DME LOC 13R	New	Approach Aid

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
IN	EVV	MALSR RW 4	New	Lower Minimums
		RVR RW 4	•	•
		DME LOC 4	•	Approach Aid
IN	FWA	RVR RW 23		
		MALSR RW 32	Replace	Equipment Upgrade
IN	IND	RVR RW 13	New	Lower Minimums
		DME LOC RW 13R	•	•
		ASDE	•	Safety/Capacity
IN	SBN	RVR RW 9	New	Lower Minimums
		DME LOC RW 27	•	Approach Aid
IA	SUX	MALSR Runway 13	New	Lower Minimums
		RVR Runway 13	•	•
IA	DSM	Center Line Lighting Rw 12L/30R	New	Lower Minimums
		DME RW 12L Localizer	•	Approach Aid
		DME RW 30R Localizer	•	•
		CAT II ILS RW 30R	•	Increased Capacity
		ALSF-2 (CAT I) RW 30R	•	•
IA	CID	Extend RW 12/31 from 5450 to 6000	New	Increased Capacity
		CAT II ILS RW 9	•	Lower Minimums
		ALSF-2 (CAT I) RW 9	•	•
		RVR RW 27	•	•
		MALSR RW 27	•	•
KS	ICT	Reil for Runway 32	New	Approach Aid
		LOM Runway 1L	•	•
		DME Runway 1L Localizer	•	•
		DME Runway 19R Localizer	•	•
		RVR Runway 19L	•	Lower Minimums
		MALSR Runway 19L	•	•
KY	CVG	CAT III ILS Upgrade Rw 36L	New/Repl	Obtain Cat IIIb Minima
		UPgrade RVRs RW 36L	•	•
		RVR (Touchdown) RW 9	New	Provide RVR Minima/Takeoff Minima
		RVR (Touchdown) RW 27	•	Provide RVR Minima/Takeoff Minima-CLL Installed
		CAT III ILS Upgrade RW 18L	•	Obtain CAT IIIb Minima

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
KY	CVG	ALSF-2 Upgrade RW 16L	New	Obtain CAT IIIb Minima
		VOR-DME	"	Enhance ATC Movement
		ASDE	"	Safety
KY	LEX	MALSR RW 22	New	Lower Landing Minima
		RVR (Touchdown) RW 22	"	Obtain RVR Minima
KY	SDF	ASDE	New	Safety
LA	BTR	Precision Instrument Approach RW 4	New	Improve Capacity
		MALSR RW 4	"	Reduce Minima
		RVR RW 4	"	"
		RVR RW 13	"	"
LA	LFT	RVR RW 21	New	Repalcement of RVV
		LLWAS	"	Provide Windshear Protection
		Relocate Lake Martin (KLM) Non Fed NDB to On-Field Site		Non-Radar Approach Capability to RW3, More Reliable Approaches For RWs 10 and 28
LA	MLU	RVR RW 4	New	Upgrade RVV to RVR
		DMEL on RW 4	"	Improve ILS Procedures
LA	MSY	RVR(T-M-R) RW 10/28	Replace	Lower CAT IIIb Landing Minima
		Frangible Approach Light Structures on RW 10	"	
		Rail(Add to MALS) RW 19		
		CAT I ILS On Rw 19	New	Noise Abatement & Reduced Landing Minima
LA	SHV	DMEL on RW 14	New	Improve ILS Procedure
		RVR (T-M-R) RW 14 Capable of Readout as Low as 300'	Replace	Lower CAT IIIb Landing Minima
		"REDLICH" Antenna RW 14 Localizer	Replace	To Eliminate Restriction
MD	BWI	MALSR RW 15L	New	Reduce Landing Minimums
		RVR (Touchdown) RW 15L	"	Reduce Takeoff/Landing Minimums
		RVR (Rollout) RW 15L	"	"
		MALSR RW 33R	"	Reduce Landing Minimums
		CAT Ii/III ILS New RW 10R	"	Improve IFR Capacity
		ALSF-2 New RW 10R	"	
		RVR(Touchdown)New RW 10R	"	
		RVR (Midpoint) New RW 10R	"	
		RVR (Rollout) New RW 10R	"	

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
MD	BWI	CAT I ILS New RW 28L	New	Improve IFR Capacity
		MALSR New RW 28L	•	
		CAT III RW 33L	•	Reduce Landing Minimums
		ALSF-2 RW 33L	•	•
		PAPI RW 15R	•	Improve Visual Vertical Guidane
		RVR RW 15R (Midpoint & Rollout)	•	Reduce Takeoff Minimums
		Upgrade RVRs RW 10 to Read	New/Repl	Reqd to Support CAT IIIb Ops.
		Relocate GS on RW 15R	•	Enhance Capacity
		DME Colocated/ILS RW 10	New	Enhance Instrument Approach Info.
		DME Colocated/ILS RW 15R	•	•
MA	BOS	Reduce ILS Minimas To RVR 2400- RW 22L	New	Increase Schedule Reliability
		CAT I ILS RW 4L	•	Reduce Takeoff/ Landing Minimums Increased Capacity
		LDA For RW 4L	•	Increased Capacity
		MALSR RW 4L	•	Reduce Landing Minimums
		RVR (Touchdown) RW 4L	•	•
		RVR (Rollout) RW 4L	•	•
		RVR (Midpoint) RW 4L	•	•
		CAT I ILS RW 22R	•	Reduce Landing Minimums
		Relocate RW 15R Localizer on C/L	•	
		CAT II ILS RW 15R	•	Reduce Landing Minimums
		ALSF-2/Rail RW 15R	•	•
		Reil on RW 9	•	Enhance RW Visibility
		Reduce ILS Minimums to RVR 1400,DH 200 on RW 27	•	Improve Schedule Reliability
		PRM	New	Simultaneous Converging Approaches
MA	ORH	CAT II ILS RW 11	New	Reduce Landing Minimums
		RVR (Rollout) RW 11	•	Reduce Takeoff Minimums
		DME Colocated/ILS on RW 29	New	
		CAT I ILS Rw 29	•	Improve Schedule Reliability and Safety
		MALSR/MALSF RW 29	•	Improve Schedule Reliability
		Removal of Obstacles RW 11	New	Regain CAT I Minimums
ME	BGR	DME Colocated/ILS RW 33	New	Improve Instr Appr Information
		DME Colocated/ILS RW 15	•	•
ME	PWM	CAT II ILS RW 11	New	Reduce Landing/ Takeoff Minimums
		CLL RW 11/29	•	•
		ALSF-2 RW 11	New	Increase Schedule Reliability

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
MI	DTW	RVR RW 3C	New	Lower Minimums
		RVR RW 21C	"	"
		CAT I ILS/Future RW 9R	"	New Runway
		MALSR/Future RW 9R	New	"
		CAT I ILS RW 3C	New	Capacity Enhancement
		MALSR Rw 3C	"	"
		RVR RW 9R	New	New Runway
		RVR RW 27L	"	"
MI	DET	Remove Obstruction RW 15/33	New	Lower Arrival/Departure Min.
MI	FNT	RVR RW 27	New	Lower Minimums
MI	GRR	RVR RW 8	New	Approach Aid
MI	LAN	RVR RW 10R	New	Lower Minimums
MI	MBS	RVR RW 23	New	Lower Minimums
MN	MSP	ASDE	New	Safety
		RVR RW 11L	"	Lower Minimums
		CCL RW 11L/29R	"	"
		RVR 29R	New	"
		RVR Midpoint RW 4/22	New	When RW is Extended
MN	RST	RVR RW 13	New	Lower Minimums
		DME LOC RW 13	"	Approach Aid
		DME LOC RW 31	"	"
MO	STL	ASDE	New	Safety/Capacity Benefit
		Lead In Lights RW 12L, 30L	"	Support LDA?DME Approaches
		CAT III ILS RW 30R	"	Lower Minimums
		CAT III ILS RW 12L	"	"
		ALSF-2 RW 12L	"	"
		DME RW 30L Localizer	"	Approach Aid
		DME RW 30L Localizer	New	"
		DME RW 12L Localizer	"	"
		ILS Runway 6	New	Lower Minimums
		VASI-6 Runway 6	"	For Wide Body Aircraft
		Rail Runway 24	"	Approach Aid

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
MO	MCI	CAT II/III ILS RW 1R	New	Lower Minimums
		ALSF-2 RW 1R	"	"
		CAT I ILS RW 19L	New	Capacity Benefit
		CAT I ILS RW 27	"	"
		MALSR Rw 27	New	Lower Minimums
		ASDE	"	Safety/Capacity Benefit
		RVR RW 27	New	Lower Minimums
MT	BIL	CAT I ILS RW 27R	New	
		MALSR RW 27R	"	
		RVR on RW 27R	"	
MT	BZN	CAT I ILS on RW 30	New	
		MALSR on RW 30	"	
		RVR on RW 12	"	
		Control Tower	New	
		ASR	New	
MT	BTM	MALSR on RW 15	New	
		RVR on RW 15	"	
		Control Tower	"	
		ASR	"	
MT	HLN	RVR RW 27 (Funded)	New	
		ASR	"	
MT	GTF	RVR RW 3	New	
MT	FCA	RVR on RW 2	New	
		Control Tower	"	
		ASR	"	
MT	MSO	RVR RW 11 (Funded)	New	
		ASR	New	FAA Plans to Establish 6/91
NE	LNK	RVR Runway 17R	New	Lower Minimums
NE	OMA	MALSR	New	Lower Minimums
		RVR Runway 17	"	"
		DME RW 14R Localizer	"	Approach Aid
		ASDE	"	Safety

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
NH	MHT	RVR(Touchdown) RW 35	New	Provide RVR Takeoff/Landing Minimums
		RVR(Rollout) RW 35	"	"
		REIL RW 06	"	Enhance RW Visibility
		NDB 6 Approach	"	Instrument Approach on Crosseind RW
NJ	ACY	PAPI RW 4	New	Improve Visual Vertical Guidance
NJ	EWR	CAT II or III ILS Upgrade	New/Repl	Backup CAT II System
		ALSF-2 On RW 4L	New	"
		CAT I ILS on RW 22R	New	Backup
		MALSR on RW 27	"	Backup - Reducing Landing Minima
		CAT IILS on RW 11	"	Precision Appr./Increase Airport Capacity
		RVR RW 11 (Touchdown/ Rollout)	"	Reduce Takeoff Minimums
		MALSR on RW 11	"	Reduce Landing Minimums
		ODALS/REIL RW 11	"	Enhance RW Visibility
		ASR-9/ASDE-3	"	Safety
		PRM	"	Simultaneous Converging Approaches
		VOR (On-Airport)	"	Enhance Ops./Provide Approach Capability
NY	ALB	CAT II ILS UPgrade RW 19	New/Repl	Reduce Landing Minimums
		ALSF-2 RW 19	New	"
		RVR(Rollout) RW 19	"	Reduce Takeoff/Landing Minimums
		PAPI on RW 10	"	Provide Visual Vertical Guidance
NY	BGM	RVR(Touchdown) RW 16	New	Provide RVR Minimums
NY	BUF	CAT II ILS UPgrade RW 23	New/Repl	Reduce Landing Minimums
		REIL on RW 14	New	Enhance RW Visibility
		VOR (on-Airport)	"	Provide Approach Capability
NY	ELM	REIL on RW 10	New	Enhance RW Visibility
		PAPI RW 10	"	Provide Visual Vertical Guidance
		RVR (Touchdown) RW 6	New	Provide RVR Minimums
NY	ISP	RVR(YTouchdown) RW 6	New	Provide RVR Minimums
		RVR (Rollout) RW 6	"	"
		CAT I ILS on RW 15R	"	Provide Precision Approach Minimums
		MALSR on RW 15R	"	Reduce Landing Minimums
		PAPI on RW 15R	"	Provide Visual Vertical Guidance
		REIL on RW 15R	"	Enhance RW Visibility
		RVR (Touchdown) RW 15R	"	Provide RVR Minimums
		HIRL RW 15R/33L	"	Support RVR Minimums
NY	ITH	REIL on RW 14	New	Enhance RW Visibility
		AWOS III	"	Improve Meteorological Observations

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
NY	SWF	CAT I ILS RW 27	New	Provide Precision Approach Minimums
		MALSR on RW 27	•	Reduce Landing Minimums
		DME Collocated ILS 09	•	Enhance Instrument Approach Info.
		PAPI RW 16	•	Provide Visual Vertical Guidance
		RVR(Touchdown/Rollout) RW 16	•	Provide RVR Minimums
		TVOR/DME	New	Provide RVR Minimums
		Construct New FAA ATCT	•	Increase in Air Carrier Service
		D-Brite in Tower CAB	•	Provide TWR Controllers
NY	JFK	Relocate RW 4L GS to Permit ILS Approaches & Full Length Takeoffs (End-Fire)	New	Increase Capacity
		CAT II/III ILS UPgrade RW4L	New/Repl	Increase Capacity
		ALSF-2 RW 4L	New	Reduce Landing Minimums
		CAT II ILS Upgrade RW 22L	New	•
		ALSF-2 RW 22L	•	•
		CAT II ILS Upgrade RW 13L	New/Repl	•
		CAT I ILS RW 13R	New	Provide Prec Appr Minimums
		MALSR on RW 31L	•	Reduce Landing Minimums
		DME Colocated with ILS on RW 31L	New	Enhance Approach Information
		Explore Value of Constructing New 5000' RW Parallel to and EAst of NE End of RW 4R/22L	New	Increase Capacity
		PRM	New	Simultaneous Parallel Approaches
NY	LGA	CAT II ILS Upgrade RW 22	New	Reduce Landing Minimums
		Relocate RW 13 LOc On C/L	•	Pending Work on Above Item
		CAT II ILS Upgrade RW 13	New/Repl	Reduce Landing Minimums
		ALSF-2 RW 13	New	Reduce Landing Minimums
		Upgrade RVR on RW 13	New	Reduce Takeoff Minimums
		MALSR on RW 31	New	Reduce Landing Minimums
		GS on RW 31	•	•
NY	SYR	RVR (Touchdown) RW 14	New	Reduce Takeoff/Landing Minimums
		Rail on RW 14	•	Reduce Landing Minimums
		CAT I ILS on RW 32	•	Precision Instrument Approach Capability
		PAPI on RW 32	•	Improve Visual Vertical Guidance
		REIL on RW 32	•	Enhance RW Visibility
		MALSR on RW 32	•	Reduce Landing Minimums
NY	HPN	REIL/MALSR on Rw 34	New	Enhance RW Visibility

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
NM	ABQ	REIL on RW 35	New	Identify RW end in Absence of Approach Lights
NC	AVL	RVR (Touchdown) RW 16	New	RVR will provide Lower T/O Minima
		RVR (Touchdown) RW 34	"	RW served by ILS & SSALR. RVR will provide Lower T/O Minima
NC	CLT	RVR (Midpoint) RW 18L	New	MDPT RVR
		CAT III ILS Rw 36R	"	Reduce CAT II/III Weather
		ALSF-2 on RW 36R	"	Provide Lower Landing Minima
		CAT III ILS Upgrade RW 18R	"	Obtain Lower Landing Minima
		ALSF-2 Upgrade RW 18R	"	Obtain Lower Landing Minima
		CAT III ILS Upgrade RW 36L	New/Repl	Reqd For CAT IIIb Minima
		Upgrade RVRs on RW 36L	"	"
		MALSR on RW 18L	New	Obtain Lower Landing Minima
		RVR(Touchdown) on RW 23	"	Obtain RVR Minima
		ASDE	"	Safety
NC	FAY	CAT ILS on RW 22	New	Lower Landing Minima
		MALSR on RW 22	"	"
		RVR (Touchdown) RW 5	"	Obtain RVR Minima
NC	OAJ	RVR (Touchdown) RW 5	New	Obtain RVR Minima
		CAT I ILS RW 23	"	ProvideStraight in Landing Minima
		MALSR on RW 23	"	"
		RVR (Touchdown) RW 23	"	Obtain RVR Minima
		Control Tower	"	Enhance Safety
NC	ISO	RVR(Touchdown) RW 5	New	Obtain RVR Minima
		CAT I ILS on RW 23	"	Obtain Lower Landing Minima
		MALSR on RW 23	"	"
		RVR(Touchdown) on RW 23	"	Obtain RVR Minima
NC	RDU	PRM Upgrade	New/Repl	Enhance Airfield Capacity
		RVR (Touchdown) on RW 23L	New	Obtain RVR Minima
		ASDE	New	Enhance Ground Movement of Aircraft
NC	ILM	CAT I ILS	New	Provide Lower Landing Minima
		MALSR on RW 5	"	"
		RVR (Touchdown) on RW 5	"	Obtain RVR Minima
ND	RAP	Brite Display	New	Safety/Efficiency For ATCT
		RVR RW 32	"	Lower Minimums
ND	BIS	RVR RW 31	New	Lower Minimums

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
ND	GFK	RVR RW 35L	New	Lower Minimums
ND	MOT	RVR RW 31	New	Lower Minimums
		REIL RW 13	"	Approach Aid
		REIL RW 8	"	"
		REIL RW 26	"	"
OH	CLE	VASI-6 RW 5L	New	Widebody Aircraft Approach
		VASI-6 RW 23R	"	"
		REIL RW 5L	"	Approach Aid
		CAT I ILS RW 10	"	Capactiy Benefit
		ILS RW 23R	"	"
		MALSR RW 23R	"	Lower Minimums
		RVR RW 23R	"	"
OH	CMH	RVR RW 10R (28L Rollout)	New	Lower Minimums
OH	DAY	CAT I ILS RW 6R	New	Capacity Enhancement
		RVR RW 18	New	Lower Minimums
		RVR RW 24L	"	"
		MALSR RW 6R	"	Lower Minimums
		RVR RW 6R	"	"
OH	TOL	CAT II ILS RW 7	New	Lower Minimums
		ALSF-2 RW 7 (CAT II)	"	"
		RVR RW 7	Repl	Convert to 250 FT Baseline
		RVR RW 25 (RW 7 Rollout)	New	Lower Minimums
OK	OKC	RVR(T-M-R-RW 35R Capables of Readout as Low as 300' Or Less	Repl	CAT IIIb Landing Minima
		CAT IIIb ILS Upgrade RW 35R	Repl	New ILS Installed/but will not Satisfy the CAT IIIb Requirement
		RVR on RW 17R	New	Reduce Minima
		RVR on RW 35L	"	"
OK	TUL	RVR(T-M-R) RW 35R Capable of Readout as low as 300'	Repl	Lower CAT IIIb Landing Minima
		DMEL on RW 35R	New	Improve ILS Procedure
		REIL on RW 8	"	Identify Actual RW End

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
OR	MFR	ASR	New	
OR	PDX	RVR on RW 10R (Funded)	Repl	Upgrade to CAT IIIb
		CAT I ILS on RW 28L	New	
		CAT I ILS RW 10L(Funded)	"	
PA	ABE	CAT II ILS Upgrade RW 6	New	Reduce Landing Minimums
		ALSF-2 on RW 6	"	"
		RVR(Rollout) RW 6	"	Reduce Takeoff Minimums
		RVR(Midpoint) RW 6	"	Reduce Takeoff Minimums
		CAT I ILS on RW 24	"	Provide Instrument Approach Procedures
PA	ERI	RVR(Touchdown) RW 24	New	Reduce Takeoff Minimums
PA	MDT	RVR(Rollout) RW 13	New	Reduce Takeoff Minimums
		RVR(Midpoint) RW 13	"	"
PA	PHL	Offset LDA To RW 27L	New	Increase Capacity
		PAPI on RW 27L	"	Provide Visual Vertical Guidance
		RVR(Touchdown) RW 9L	"	Reduce Takeoff/Landing Minimums
		RVR (Midpoint) RW 9L	"	"
		PAPI on RW 27R	"	Provide Visual Vertical Guidance
		PRM	"	Simultaneous Parallel Approaches
PA	PIT	CAT II ILS Upgrade RW 10R	New	Reduce Landing Minimums
		ALSF-2 RW 28L	"	"
		CAT II ILS UPgrade RW 28L	"	"
		ALSF-2 RW 28L	"	"
		PAPI on RW 10L	"	Provide Vertical Guidance
		CAT I ILS RW 10C	"	Provide Precision Approach Capability
		MALSR RW 10C	"	Reduce Landing Minimums
		CAT I ILS RW 28C	"	Provide Precision Approach Capability
		MALSR RW 26C	"	Reduce Landing Minimums
		RVR(Touchdown) RW 32	"	Provide RVR Minimums
		RVR (Tochdown) RW 14		"
PA	AVP	Relocate RW 4 LOC on C/L	New	Required for Lowest ILS Landing Minimums
PR	SJU	LOC on RW 26	New	Obtain Lower Landing Minima
		RVR(Touchdown) on RW 5	"	Obtain RVR Minima
		DME on LOC on RW 26	"	"
SC	CHS	ILS on RW 3	New	Lower Landing Minima
		RVR (Touchdown) RW 3	"	Obtain RVR Minima
		ILS on RW 21	"	Lower Landing Minima
		MALSR on RW 21	"	"
		RVR(Touchdown) RW 21	"	Obtain RVR Minima

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
SC	CAE	CAT I ILS RW 5	New	Lower Landing Minima
		MALSR RW 5	New	"
		RVR(Touchdown) RW 23	"	Obtain RVR Minima
		CAT I ILS RW 23	"	Lower Landing Minima
		MALSR on RW 23	"	Lower Landing Minima
		RVR (Touchdown) RW 23		Obtain RVR Minima
		RVR (Midpoint) RW 11/29	"	CAT II Runway
TN	TRI	MALSR on RW 5	New	Obtain Lower Landing Minima
		DME on LOC RW 23	"	Enhance Prec Appr Procedure
TN	CHA	NDB RW 02	New	Serve as LOM RW 02
TN	TYS	CAT I ILS RW 5R	New	RW Being Extended to 9000'
		MALSR on RW 5R	"	RW Being Extended to 9000'
		RVR(Touchdown) RW 5R	"	"
		CAT I ILS RW 23L	"	"
		MALSR on RW 23L	"	"
		RVR(Touchdown) on RW 23L	"	"
TN	MEM	PRM	New	Enhance Airfield Capacity
		RVR(Touchdown) RW 27	"	Obtain RVR Minima
		CAT III ILS RW 36R	"	Obtain Lower Landing Minima
		CAT III IOLS Upgrade RW36L	New/Repl	Upgrade to CAT IIIb Capability
		ASDE	New	Enhance Movement of Ground Traffic
TN	BNA	CAT III ILS Upgrade RW 27L	New/Repl	Upgrade of ILS
		ALSF-2 on RW 2L	"	Required for CAT IIIb
		Upgrade RVRs on RW 2L	"	Upgrade of ILS/Obtain CAT IIIb Minima
		CAT I ILS RW 13	New	Obtain Lower Landing Minima
		MALSR on RW 13	"	"
		RVR (Touchdown) on RW 13	"	Obtain RVR Minima
TX	AMA	Frangible ALS Structures on RW 4	Repl	Improve Operational Safety
		LLWAS	New	Provide Windshear Protection
		CAT I ILS RW 31	"	Increase Airport's IFR Capacity
TX	AUS	Nothing Planned at the Present Time Due to Plan For New Airport. If New Airport Concept is Disapproved, Significant Improvement Will Be Required at AUS.		
TX	CRP	ODALS on RW 17	New	Improve Approach Capability
		Frangible Structures for REIL on RW 17	Repl	Improved Operational Safety
		Frangible ALS Structures on RW 31	Repl	"
		RVR on RW 35	New	Reduce Minima
		LLWSAS	"	Provide Windshear Detection

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
TX	DAL	Frangible ALS Structures on RW 13L	Repl	Improve Operational SAfety
		RVR(Rollout) RW 31L	New	Allow Departures at 600 RVR
TX	DFW	ASDE	New	Safety
		RVR(T-R) RW 31R	"	Improve Arrival/Departure Minima
		CAT I ILS RW 35L	"	Improve Airport IFR Capacity Reliability
		MALSR RW 36R	"	Improved Minima For ILS
		RVR (T-M-R)Capable of Readout as Low as 300' RW 17L/35R	Repl	Lower CAT IIIb Minima
		RVR(T-M-R)Capable Readout Low as 300' RW 18R/36L	"	"
		Additional Navaids to Provide DUAL Arrival Gates in Accordance with DFW Metroplex Air Traffic System Plan	New	Reqd to utilize existing & Future Airport Capacity
		CAT I ILS on RW 16L	"	Precision Approach/ Independent Approach
		CAT I ILS on RW 34R	"	"
		MALSR on RW 16L	"	Reduce Minima
		MALSR on RW 34R	"	"
		RVR(Touchdown) RW 16L	"	"
		RVR(Touchdown) RW 34R	"	"
		CAT I ILS on RW 16R	"	Precision Approach/Independent Approach
		MALSR on RW 16R	"	Reduce Minima
		MALSR on RW 34L	"	"
		RVR(TOuchdown) RW 16R	"	"
		RVR(Touchdown) RW 34L	"	"
		VASI RW 31L	New	Provide Visual Approach
TX	ELP	RVR on RW 4	New	Enhance DEparture Capability
		REIL on RW 4	"	Reqd to Identify RW End in High Light Area
		RVR on RW 22	Repl	Upgrade RVV to RVR
		Frangible ALS Structures RW22	Repl	Improve Operational Safety
TX	EFD	200'-1/2(RVR 2400) Capabilities on RW 17R/35L	New	Improve IFR Capabilities
		MALSR on RW 22	"	Reduce Minima
TX	HRL	RVR on RW 17R	New	Unscheduled
		Frangible ALS Structures on RW 17R	Repl	Improve Operational SAfety
		CAT I ILS on RW 31	New	Precision Approach Capability
		MALSR	"	Reduce Minima
		RVR on RW 31	"	"
		VASI on RW 31	"	Provide Visual Glide Path Guidance
		REIL on RW 31	"	Identify Actual RW End
		LLWAS	"	Provide Windshear Detection
		REIL on RW 35L	"	Enhance RW Identification

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
TX	HOU	RVR on RW 12R	New	Reduce Minima
		RVR on RW 12R	"	"
		RVR on RW 30L	"	"
		MALSR on RW 30L	"	"
		ASDE	"	Safety
		CAT II ILS on RW 4	Repl	Improve Airport IFR Capability
		ALSF-2 on RW 4	"	Reqd to Support CAT II
		RVR(T-R) RW 4	New	Allow Dept. As Low as 600' RVR
		CAT I ILS RWY 22	"	Improve Airport IFR Capacity
TX	IAH	ASDE	New	Safety
		CAT III ILS RW 27	Repl	Improve IFR Capability
		RVR(T-M-R0 RW 27 Capable of Readout as low as 300° or Less	Repl	Existing System Capable Only 600' Minima
TX	LBB	RVR on RW 26	New	Improve Approach/Dept. Capabilities
		DMEL on RW 26	"	Improve ILS Procedure
TX	MAF	REIL on RW 16R	New	Runway Indentification in Absence of Approach Lights
TX	MFE	RVR on RW 13	New	Reduce Minima
		Frangible Structures on RW 13	Repl	Improve Operational Safety
		LLWSAS	New	Provide Windshear
TX	SAT	RVR (T-M-R) RW 12R/30L Capable of Readout low 300'	Repl	Allow CAT IIIb Ops
		RVR (T-R) on RW 3	New	Dual RVR allow Dept. at 600° RVR
		Frangible ALS Structures RW 3	Repl	Improve Operational Safety
		DMEL on RW 3	New	Provide Greater Degree of Precision
		MLS on RW 21	New	Allow Usable Approach Capability RW21
		MALSR on RW 21	"	Support MLS - Reduce Minima
UT	SLC	ASDE	New	
		DMEL on RW 34L	"	
		RVR on RW 34R	New	
		CAT III ILS Upgrade RW 34L	New/Repl	Upgrade to CAT IIIb
		CAT III ILS Upgrade RW 16R	New/Repl	"
		CAT I ILS RW 34R	New	
		MALSR on RW 34R	"	
		ALSF-2 on RW 16R	New	Support CAT IIIb

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
VT	BTV	CAT I ILS RW 33-GS 3.5 Degrees MALSR RW 33	New	Instr. Appr. Guidance For RW 33 Part 150 Study Recommends Increased Use of RW 33
VA	IAD	CAT II ILS Upgrade RWs 19R/19L	New	Permit Simultaneous CAT II/III Approaches/Improve Schedule Reliability
		ALSF-2 on RWs 19R/19L	•	•
		RVR(Midpoint) RW 19R	•	Reduce Takeoff Minimums, Support Simultaneous CAT II/III Approaches
		RVR(Rollout) RW 19R	•	•
		ALSF-2 RW 01L	•	Reduce Landing Minimums, Permit Simultaneous CAT II/III Approaches
		CAT III ILS Upgrade RW 01L	•	•
		RVR(Touchdown) RW 12 (Funded)	New	Reqd for Lowest Takeoff/ Landing Minimums
		RVR(Midpoint) RW 12	•	Reqd for Lowest Takeoff Minimums
		RVR (Rollout) RW 12	New	•
VA	CHO	RVR RW 3 (Funded)	New	Provide RVR Minimums
		TVOR	•	Provide Additional Instrument Approaches
VA	ORF	CAT II ILS Upgrade on RW 5	New	Reduce Landing Minimums
		ALSF-2 RW 5/1M	•	•
		RVR(Midpoint) RW 5	•	•
		RVR(Rollout)	•	•
VA	RIC	MALSR RW 02	New	Reduce Landing Minimums
		RVR(Touchdown) RW 2	•	Provide RVR Minimums Takeoff/Landing
		RVR(Rollout)RW 2	•	•
VA	ROA	RVR(Touchdown) RW 24	New	Reqd for Lowest Takeoff Minimums
		RVR (Rollout) RW 24	•	•
		PAPI on RW 24	New	Provide Visual Vertical Guidance
		PAPI on RW 33	New	•
VI	STT	CAT I ILS RW 10(New)	New	Provide Precision Approach
VI	STX	BRITE Radar in ATCT	New	Enhance ATC and Safety
		ASR	•	•
WA	SEA	CAT I ILS RW 16L (Funded)	New	
		MALSR RW 16L	New	
		RVR	•	
		ASDE (Funded)	•	

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STATE	AIRPORT	ITEM REQUESTED	NEW/REPL	JUSTIFICATION
WV	CRW	RVR (Touchdown) RW 5	New	Reqd for Lowest Takeoff Minimums
WV	HTS	RVR(Touchdown) RW 12 (Funded)	New	Provide RVR Takeoff/Landing Minimums
		RVR(Rollout) RW 12	New	"
		MALSR RW 30	"	
		TVOR-DME	"	Provide Additional Instrument Capacity
WI	ATW	RVR RW 3	New	Lower Minimums
WI	GRB	RVR RW 36L	New	Lower Minimums
		RVR RW 24L	"	Lower Departure Minimums
		RVR RW 6	New	Lower Minimums
WI	LSE	RVR RW 18	New	Lower Minimums
WI	MKE	ASDE	New	Safety/Capacity Enhancement
		GS RW 25L	New	Lower Minimums
WI	CWA	Airport ATC Tower	New	Safety/Efficiency Benefit
WY	JAC	MALSR on RW 18	New	
		RVR RW 18	New	
		Control Tower	New	
WY	CPR	RVR RW 3 (Funded)	New	

Monday, March 29, 1993.

AIRCRAFT OWNERS AND PILOTS ASSOCIATION (AOPA)

WITNESS

STEVEN J. BROWN, SENIOR VICE PRESIDENT, GOVERNMENT AND TECHNICAL AFFAIRS, AOPA

Mr. Carr. From the Aircraft Owners and Pilots Association, Mr. Steven Brown, Senior Vice President for Government and Technical Affairs.

Mr. Brown. Thank you, Mr. Chairman. Congratulations on your new position, and also, Mr. Wolf.

I think, as you know, we represent about 60 percent of all the active pilots in the United States. We are particularly concerned about the President's proposals, particularly as they relate to FAA's programs. And, as you know, I believe the Btu tax and the registration fee that has been proposed for general aviation aircraft have given us great cause for concern.

To that end, we have just mailed to our entire membership—so it is a large undertaking for us to mail first class to 300,000 members—a National Pilot Alert; and it is fairly simply formatted. As you might expect from a group like ours, it has an initial letter of appeal; then it also has the administration's plan on one side in summary and our alternative proposals on the other, many of which are contained in the statement that will be in the record today. I won't go into this in any great detail.

But I do want to highlight a couple of critical points and that is to focus not so much on the administration's proposal and the new taxes and fees that it would impose on our fragile industry but rather to talk about our alternative program briefly so that you have a feel in the appropriations context for how we think the administration's proposal can be dealt with more successfully.

The administration's proposal, at least on our sector of the industry, would generate some $250 million over a five-year period in new revenues. We have proposed, as a counter to that, $4 billion in reductions that we believe could be made in the $32 billion that is our CIP, Capital Investment Program, that the FAA has under way.

We have suggested specific program reductions which are outlined in our statement. But it concentrates in four fundamental areas. Firstly, on the Microwave Landing System, which, as you know, has been a controversial procurement program for many years. And just this last week, the FAA announced at an international navigation conference in Geneva that they are seriously considering reducing that overall procurement by 80 percent. Reducing the MLS procurement by 80 percent from nearly 1,250 units down to 300 units would save the FAA well over a billion dollars in future expenditures in their Capital Investment Plan.

I think you will find in your future discussions with FAA that this is a very likely outcome and a decision that they will commit to very soon given the fact that satellite navigation is making the kind of advances that it is in our industry.

Secondly, the Long Range Radar program is one in which economies could be achieved, again because of the advances in satellite navigation that have been made and the trials that are ongoing in proving the capability of satellite services and data link to provide position information.

And, then, thirdly, the Advanced Automation System, which has been mentioned here before, as it is coupled with the area control facility concept, is one which FAA has been involved in, particularly with Secretary Pena recently, in extensive discussions. And FAA is planning, later this year, as we understand it, to announce major changes in those programs.

Again, there could be some economies in these programs, saving nearly $2 billion in our estimation over the life of those programs that extend well into the year—past the year 2000.

In our formal statement, there are seven particular programs that we see as funding priorities for the industry in general and in particular for general aviation. And I would like to highlight those just briefly.

Firstly, in the area of satellite navigation, the continuing development of GPS—not only foreign route navigation but also for terminal instrument approach procedures—is critical to our segment of the industry as well as to the airlines. We believe that FAA's satellite program has been funded properly in the past. But clearly that has to continue with urgency and priority in this coming year because that program will now be commissioned by late 1994, early 1995, for widespread civilian application. We believe an appropriation of nearly $20 million for that program is essential.

Thirdly, in the area of pragmatic user needs, there has been a tee has heard testimony from FAA in the past about the problem in general aviation with regard to leaded fuels and the research that is needed in that area to address that problem and to try and eliminate lead from aviation fuels. There is an ongoing research program at the FAA technical center. And in the past year, FAA testified that they needed approximately $500 million a year to continue that research. And we would like to encourage you to continue providing that funding for this critical priority.

Secondly, in the area of pragmatic user needs, there has been a developing problem in the last few months with the production of WAC Charts or visual navigation charts for general aviation pilots. This is an area where your committee does not have direct jurisdiction because the fundamental charting task is with NOAA. But it is a program on which FAA contributes direct funds and is one in which you could provide some help. We would like to follow up with your committee in the future. The level of funding shortfall that appears to be evident is about $900,000. But we believe that can be closed by a change in the fees associated with the charts as well as some overall governmental accounting difficulties that might be able to be clarified and straightened out. The general difficulty is that the revenue for the charts goes into the general treasury and is not really credited to the aviation users, while the expense for the production of the charts is taken from dedicated funds.

The final one that I would like to highlight is the airspace reclassification project, which is a nationwide airspace change that FAA has under way and is also related to the charting issue. FAA will be requesting funds this year for an extensive education program and, as well as, a charting change program to implement the airspace reclassification process.

We would like to encourage you to fully fund that particular program because compliance with the new airspace and the regulations associated with it is largely driven by the quality of the charts that FAA produces and, therefore, the pilots' understanding of what those airspace classifications are, the rules that are associated with them. And, obviously, compliance with those new rules is in our interest.

So in summary, Mr. Chairman, those are the key programs that we would like to highlight as key priorities for general aviation. In our formal statement, there are additional comments about aviation weather programs and others that are priorities to us, where we make specific recommendations. But those are the key challenges we believe we are facing.

Mr. CARR. Thank you, Mr. Brown.

[The prepared statement of Mr. Brown follows:]

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Statement of Steven J. Brown

Senior Vice President
Government & Technical Affairs

Aircraft Owners and Pilots Association

Before the

House Committee on Appropriations
Subcommittee on Transportation & Related Agencies

The Honorable Bob Carr, Chairman

Concerning FAA's FY'94 Budget Request

March 29, 1993

Member of International Council of Aircraft Owner and Pilot Associations

Mr. Chairman, my name is Steven J. Brown. I am Senior Vice President for Government & Technical Affairs with the Aircraft Owners and Pilots Association.

AOPA represents the interests of more than 300,000 individual members who own and fly general aviation aircraft to fulfill their personal and business transportation needs. That is 60% of the active pilots in the United States. AOPA members own or lease 62% of the aircraft in the general aviation fleet.

Chairman Carr and Congressman Wolf, we congratulate you on your new positions as Chairman and Ranking Member for the Subcommittee on Transportation. We appreciate the opportunity to come before this Committee each year to express our views concerning FAA's funding priorities. We are well aware of the essential role which you play in the effort to keep FAA focused and accountable, and we are looking forward to assisting you and your colleagues as the Committee seeks to fulfill its functions.

THE PRESIDENT'S PLAN -- NEW AVIATION TAXES

At no time in recent memory has the oversight of this Committee been more important. We applaud President Clinton's goal to stimulate the economy and reduce the staggering federal deficit. But the President's plan relies very heavily on tax increases to accomplish its objective -- including specific tax increases he proposes to levy on AOPA members. Consequently, it is vital that FAA's budget request be thoroughly scrutinized and that the agency be compelled to strictly and efficiently manage the resources made available by this Committee. FAA often wants to spend too much on programs the industry doesn't want and can't afford, and too little on those which are vital and yield immediate benefits.

We at AOPA believe there is a better way than increasing taxes imposed on the ailing aviation industry. Even before we have seen FAA's official budget request, we can predict with certainty that there will be ample savings to be found within FAA's budget. We hope this Committee will take strong action to ensure that those savings are realized.

Like most Americans, we at AOPA were encouraged by President Clinton's promise that the economy and the federal budget deficit would be the first priorities of his Presidency. We believe that fostering the health and development of our nation's air transportation system should be a key ingredient in the economic recovery.

But our enthusiasm turned to concern once we had an opportunity to review the details of the President's plan. Two specific proposals were especially unwelcome news to the economically depressed general aviation industry.

First, President Clinton's proposal would impose a new federal aircraft registration fee on every aircraft in the general aviation fleet. The new registration fee will be assessed annually at $90 per plane beginning in FY94, and it will escalate to an annual fee of approximately $300 by 1998!

No distinction will be made between types and sizes of aircraft. The same fee will apply regardless of whether an aircraft is a simple Piper Cub used by a cattleman to check herds or a private Gulfstream jet used to whisk celebrities to Aspen. Furthermore, the proposal ignores or fails to recognize that pilots will soon be paying a new $25 aircraft registration renewal fee every three years which Congress mandated under the 1988 drug bill.

The new registration fee is a familiar old proposal championed by career OMB employees who assert that general aviation does not pay its "fair share." But AOPA members do pay their fair share in the form of federal taxes on non-commercial aviation fuel -- 15 cents per gallon on avgas and 17.5 cents on jet fuel. In addition, most states also collect state taxes on aviation fuel, and they impose substantial registration fees and personal property taxes on aircraft owners. AOPA members pay millions of dollars annually in state and local taxes on aircraft and aviation fuel.

The second unwelcome proposal under the President's plan is his new energy tax, which would result in a tax increase of 7 to 10 cents per gallon on aviation fuel. This tax would be in addition to the 15 cent avgas and 17.5 cent jet fuel taxes AOPA members already pay to the federal government. Worse yet, the new energy tax will not be dedicated to the Aviation Trust Fund to fund vital aviation improvements.

Any increase in the federal taxes on general aviation will deal a severe blow to our already fragile industry. General aviation is reeling from the impact of the poor economy. Furthermore, the recession has compounded other longstanding problems, such as the burden of product liability costs on aircraft manufacturers. Yet the President's plan makes no mention of the need to address the product liability problem. Nor does his plan propose to repeal the ill-advised "luxury" tax on aircraft, which we strongly oppose and which has further contributed to the problems of the manufacturers.

Just as important, we have little confidence that an increase in aviation taxes will be applied to reduce the staggering federal deficit. We've been down this road before. The deficit reduction deal passed by Congress in 1990 increased the federal tax on "avgas" by 3 cents, from 12 cents to 15 cents per gallon. The federal tax on non-commercial jet fuel burned in general aviation aircraft was also increased from 14 cents to 17.5 cents per gallon.

These increases in aviation fuel taxes were imposed in 1990 specifically to help reduce the budget deficit -- at a time when nearly $8 billion already lay in surplus in the Aviation Trust Fund. Yet the federal deficit continues to soar, despite these and other tax increases imposed in 1990 (including the luxury tax).

THE AOPA ALTERNATIVE -- CUTS BEFORE TAXES

Because the President relies too heavily on tax increases, AOPA proposes cuts in four expensive FAA development programs as an alternative to substantial and counterproductive new taxes on general aviation. Our "four for four" alternative calls for $4 billion in spending cuts from four major FAA programs, all of which are troubled or unnecessary initiatives. And each is a component of FAA's $32 billion Capital Improvement Program. These four programs are the Microwave Landing System, the Long Range Radar replacement program, the Advanced Automation System, and the Area Control Facility program.

Microwave Landing System. Both general aviation and the airlines have balked at the Microwave Landing System, which is the technology put forth in the 1970s to improve upon Instrument Landing System technology for precision approach capability. But new technologies of today such as GPS satellite navigation are superior and less costly alternatives for future precision approach guidance to airport runways. As FAA acknowledged last week in Geneva at an international conference on future landing systems, it envisions that MLS procurement (previously projected at 1,250 units) will be cut by as much as 1,000 units.

The only remaining use for MLS is the potential for seldom-needed high precision Category III "autoland" approaches performed only by the major airlines at a handful of international hub airports in the United States. Abandoning procurement of all but the few MLS units needed for this limited application would save approximately $1.4 billion in federal spending.

Long Range Radar. Using GPS satellite technology and datalink, it will be possible for aircraft to "self-report" their position to air traffic control computers. This capability greatly reduces the need to upgrade existing long range radars. In fact, such a self-reporting system -- called Automated Dependent Surveillance -- is already being tested for air traffic control of trans-oceanic airline flights.

The most prudent course to improve long range surveillance capability is to augment existing radars with a satellite-based aircraft position reporting system using datalink. By cancelling the Long Range Radar replacement program, nearly $500 million in federal spending will be saved.

Advanced Automation System. The Advanced Automation System is the $5 billion core of FAA's $32 billion airspace modernization program, and it has also come to symbolize the stunning cost overruns and poor management which have plagued the NAS modernization plan.

We needn't take the Committee's time by reciting the details of all that has gone wrong with the AAS program. Those problems are well known to you. We merely submit that reduced funding for AAS should be a prudent and productive component of any deficit reduction effort. While we believe the program is necessary and should be continued, the system as designed is overly ambitious and exceeds what is needed or technically feasible. The program should be scaled back, and continued appropriations should be carefully metered to ensure that the history of management and technical problems is resolved.

Area Control Facility. The Area Control Facility concept is integrally linked to the Advanced Automation System. ACF has been controversial since FAA first proposed transferring operations from all radar approach control facilities and control towers within a specified region to one remote consolidated site. In fact, the Committee is probably aware that the concept is currently under review by the FAA. The agency has consistently indicated that ACF is likely to be scaled back in scope to include consolidation of far fewer facilities.

By trimming the Advanced Automation System, reducing the scope of the Area Control Facility concept, and realizing further savings in AAS costs associated with the ACF system, we believe potential federal savings could total as much as $2 billion. Realistically, these much delayed programs will not be deployed until at least the last half of the 1990s.

Again, Mr. Chairman, the $4 billion in savings we estimate from cutting or scaling back these four programs is the logical alternative to imposing new taxes on AOPA members and the general aviation community. Those of us who are pilots will abide by the President's request for sacrifice in other areas of our daily lives. But general aviation is too fragile an industry to carry additional tax burdens at this time. We are struggling to regain our status as a competitive manufacturing and export industry. We are barely able to retain current jobs, let alone create new ones.

FUNDING PRIORITIES

Next, I will summarize several of the funding issues which AOPA views as priorities for the general aviation community. Among these are the more targeted funding initiatives important to general aviation with which this Committee has been very helpful. Once again, we will be working closely with Members of the Committee on these funding priorities, and they are similar to initiatives we have brought to your attention during the past few years. They yield high benefits for general aviation pilots and require the continuation of only modest funding.

SATELLITE TECHNOLOGY

AOPA has long maintained that the FAA should shift away from the ground based design inherent in the NAS Plan and incorporate emerging satellite technology into its current Capital Improvement Plan. Advancing technology has overtaken much of the NAS Plan. This is especially true, for example, with respect to technology such as the Microwave Landing System. For enroute navigation and precision approach technology, satellites represent the way of the future.

Furthermore, our analysis suggests that approximately $11 billion can be saved over the next ten years by redirecting FAA's airspace modernization effort and moving aggressively toward implementation of a system relying on satellites and compatible technology such as LORAN.

Congress has responded enthusiastically to our message. And the FAA now seems to be moving in the right direction, having officially acknowledged last year that "satellite navigation systems could lead to the eventual phaseout of existing National Airspace System ground equipment while maintaining or improving existing levels of service. In addition, satellite-based navigation systems provide the potential for new navigation and landing service."

Of course, we do not yet know officially what FAA will request in FY94 for the Satellite Navigation Program. But the amount appropriated must be sufficient to meet the needs of the satellite development program -- given that the GPS satellite system is scheduled to be made available for widespread civil use beginning in 1994.

Our colleagues from the Air Transport Association will testify here today that they, too, believe satellite navigation programs should be given high priority among FAA's RE&D needs. We at AOPA recommend that an appropriation of at least $18 to 25 million is appropriate to ensure that aggressive research goes forward in this area.

The substantial savings and benefits inherent in transitioning to the system of the future are too good to pass up. An early transition will save billions on some of the existing Capital Improvement Plan programs which will be unnecessary or incompatible with the new system.

GPS & LORAN INSTRUMENT APPROACHES

Last year, at our request, the Committee included report language indicating that it expected the FAA to promulgate at least 125 LORAN C non-precision approach procedures. The Committee also directed the FAA to provide quarterly reports on the progress being made in developing these procedures.

These instructions were directed at FAA following testimony by the agency confirming that existing resources were sufficient to permit FAA to promulgate at least 100 new approaches and that another 25 approaches have already been developed and were ready for publication. We sought assistance on this point from the Committee to ensure that FAA would place appropriate emphasis on development of non-precision approaches. Here's why the issue is important.

While these approaches are currently planned for use with LORAN C, it will very soon be possible to use the approaches with the GPS satellite system. In fact, AOPA participated heavily last year in FAA Technical Center testing of GPS approach capability, and the results were outstanding.

These approaches will offer substantial benefits because they will be very inexpensive to implement. The chief advantage is that no additional equipment will have to be installed at the airport site. GPS and LORAN approaches will make very low cost non-precision approach capability available to thousands of airports which could never afford to install other types of approach equipment.

Development of GPS and LORAN approaches will remain one of our key initiatives this year. We hope the Committee will encourage FAA to place strong emphasis in this area.

ALTERNATIVE FUELS RESEARCH

AOPA led the industry effort to persuade EPA that Congress did not intend to include aircraft within the scope of the Clean Air Act ban on lead fuel burning engines. Because of limitations in technology, a contrary interpretation of the Act would have had a devastating impact on the manufacture of any new piston-powered aircraft.

Yet a long-term fuel availability problem will remain unless an alternative, unleaded fuel is developed with a sufficiently high octane level to meet the requirements of both new and existing high performance aircraft engines. During the past two years, assistance from this Committee has been invaluable on this aspect of the problem.

Prior to 1988, FAA's Technical Center in New Jersey conducted promising research into alternative fuels for general aviation aircraft. To revive the promising research which FAA had previously initiated, the Committee appropriated $650,000 for FY92 at our request. An additional appropriation of $450,000 was provided in FY93 to continue the work, and FAA estimated in its testimony before the Committee last year that $500,000 would be required in FY94 and $600,000 in FY95 to complete the research.

We urge the Committee to provide the additional resources FAA has estimated will be necessary to complete this important work. We are preparing supplemental information which the staff will require to help the Committee address our request during markup of the FY94 bill.

Research into alternative unleaded fuels is vital to the continued viability of general aviation. We appreciate your continuing support for this important initiative.

AERONAUTICAL CHARTING

AOPA has pressed for special attention on aeronautical charting improvements during the past few years. We have targeted specific charting enhancements which will improve the utility of aeronautical charts and ultimately translate into a safer flying environment for general aviation pilots. Thanks to the efforts of this Committee, funding has been secured to enable FAA to implement these enhancements and enable the pilot community to realize direct and immediate safety benefits.

We are now addressing a general crisis in funding which threatens to force the elimination of at least some important aeronautical charts altogether. Earlier this year, NOAA announced that it planned to cease printing World Aeronautical Charts -- known by pilots as "WAC Charts." While NOAA had no substantive reason for discontinuing the charts, we were told that NOAA will require an additional $900,000 to fund publication of WAC Charts for the remainder of FY93. And assuming the funding shortfall could be resolved for FY93, it would also be necessary to ensure that adequate funding is made available for FY94.

AOPA was immediately concerned by the adverse safety impact which discontinuing the charts would have on general aviation pilots and other users of the aviation system. And we have since learned that the funding problem extends well beyond WAC Charts alone and is likely to grow in magnitude during the coming years. Consequently, we have been working with NOAA and Congressional staff to assist in NOAA's efforts to resolve the funding shortfall. At least for the short term, we have been successful. But a long term problem remains which we are seeking to address.

While this Committee has no direct jurisdiction over funding for NOAA, the issue is relevant because funding for aeronautical charts is shared by NOAA and the FAA. The problem is grounded in the fact that revenues collected from chart sales are deposited in the general treasury and sufficient appropriations equalling the revenues collected are not necessarily made available for chart production and distribution. We would appreciate an opportunity to discuss our concerns with you, Mr. Chairman, and with other Committee members and staff. We believe there may be a role for this Committee to play in solving this serious problem.

AIRSPACE RECLASSIFICATION

As you may know, FAA is preparing to reclassify all of its existing airspace categories -- an undertaking in which AOPA has participated and which we believe is worthwhile. These new classifications are scheduled to go fully into effect on September 16, 1993. Sources at FAA tell us that the agency will request ample funds for the implementation of the new airspace classifications, including funds dedicated to pilot education.

But we believe this issue merits special mention. This is an important program, and it is essential that adequate funding be provided to ensure a smooth, safe, and expeditious transition to the new airspace classifications. We will appreciate the Committee's assistance and strong support for FAA's efforts in this area.

SPECIAL USE AIRSPACE

On January 2, 1992, FAA began initial operation of its Special Use Airspace Management System (SAMS). When fully implemented, SAMS will enable FAA to monitor the real-time utilization of all of the nation's military airspace. In the past, the aviation industry has been forced to rely on military records to determine the actual real-time use of existing military airspace. The military generally acknowledges only when its vast segments of dedicated special use airspace are scheduled for use -- not when they are actually in use.

FAA's new SAMS system will provide a much more accurate picture of military airspace usage. AOPA has maintained for years that most special use airspace is woefully under-utilized and badly managed. We will now have the means to accurately measure the true level of usage.

As with our comments on airspace reclassification, we merely seek to highlight the importance of this program and urge the Committee to provide adequate funding to ensure its effectiveness.

WEATHER PROGRAMS

There is nothing more important to a general aviation pilot than the timely detection and dissemination of hazardous weather information. General aviation pilots fly "in" the weather. The airlines fly "above" the weather, with the exception of the critical arrival and departure phase. To AOPA members, weather information is not just helpful, it is life saving.

As part of their respective modernization programs, FAA and the National Weather Service have committed to substantial capital investments to improve weather detection and dissemination capability. These initiatives include the development and deployment of such technologies as new radars and wind sensors, and they are expected to help address the needs of aviation by providing vastly improved information concerning dangerous weather.

Of course, this Committee has provided outstanding assistance and oversight with respect to FAA's flight service station modernization efforts and our own initiative to establish Auxiliary Flight Service Stations. FAA's flight service facilities are the main point of contact for pilots seeking critical weather information.

As the NWS modernization program progresses throughout the 1990s, we hope the Committee will continue to provide both adequate funding and oversight of the FAA component of weather modernization efforts. Significant benefits will be gained from weather modernization. But we must also ensure that lessons are learned from the mistakes FAA has made in its airspace modernization programs. Our objective is to see that aviation weather programs are efficiently and economically implemented.

* * * * *

To summarize, Mr. Chairman, we believe there is a better way to achieve deficit reduction than increasing taxes on the ailing aviation industry. There are ample savings to be found within FAA's budget. We hope this Committee will take strong action to ensure that those savings are realized.

We are encouraged by FAA's seeming recognition of the benefits of satellite technology. We recommend an appropriation in the range of $18 to 25 million for the Satellite Navigation Program to ensure that aggressive research goes forward.

GPS and LORAN non-precision approaches will offer substantial benefits because they will be very inexpensive to implement. These approaches will make very low cost non-precision approach capability available to thousands of airports which could never afford to install other types of approach equipment. Development of GPS and LORAN approaches will remain one of our key initiatives this year.

Research into alternative unleaded fuels for general aviation aircraft must be continued. We request that the Committee support an allocation of $500,000 from FAA's research funds for this purpose.

While this Committee has no direct jurisdiction over funding for NOAA, the problems NOAA is experiencing in chart funding are relevant because funding for aeronautical charts is shared by NOAA and the FAA. We believe there may be a role for this Committee to play in solving this serious problem.

Finally, three areas merit special support from the Committee. We stress the importance of adequate funding for airspace reclassification needs and FAA's efforts to monitor special use airspace nationwide. And we hope the Committee will continue to provide appropriate funding and oversight of weather modernization programs.

Mr. Chairman, this concludes our comments. I will be happy to respond to questions from the Committee.

MONDAY, MARCH 29, 1993.

NATIONAL AIR TRAFFIC CONTROLLERS ASSOCIATION (NATCA)

WITNESS

JOSEPH M. BELLINO, EXECUTIVE VICE PRESIDENT, NATIONAL AIR TRAFFIC CONTROLLERS ASSOCIATION

Mr. CARR. Mr. Bellino.

Mr. BELLINO. Thank you, Mr. Chairman. You have heard me speak already. I am losing my voice.

Mr. Chairman, we in the National Air Traffic Controllers Association come before you to plead our case on items such as controller staffing levels, lack of sufficient PCS funds, expedited training and promotion ability, and controller compensation issues. I will address these issues separately.

Controller Compensation, Pay Demonstration Project.

Like all Federal employees, air traffic controllers have been asked to lead the country in sacrifice to help President Clinton reduce the deficit. While everyone else is being asked to pay higher taxes, Federal employees are asked to pay higher taxes, accept a pay freeze, and contribute more in the form of out-of-pocket expenses for their medical coverage. Air traffic controllers and other Federal employees are willing to do their fair share, but the administration's request seems excessive.

Now on top of that, air traffic controllers at some of our Nation's busiest air traffic facilities are being asked to contribute an extra 20 percent. Last week before this most honorable panel, Transportation Secretary Pena testified that the Department is "making the tough choices." If it wasn't so sad, it would be laughable. The tough choices do not come while sitting in a paneled office insulated from your employees and cutting their salaries. The tough choices come when working families have to determine how to absorb a 20 percent cut in pay.

You will recall, Mr. Chairman, the Pay Demonstration Project was initiated to assist those air traffic facilities that were historically understaffed by providing them with an additional 20 percent in compensation to attract and retain highly qualified air traffic controllers. The Pay Demonstration Project covers New York Center, New York TRACON, Chicago Center, Chicago O'Hare TRACON, Chicago O'Hare Tower, Bay TRACON in Oakland, Coast TRACON in Southern California, Los Angeles TRACON, and Los Angeles Towers. These facilities are our Nation's busiest and among the busiest in the world. And I might add that as of approximately six months ago, for the first time since the strike, O'Hare TRACON controllers were not required to work a mandatory 6-day week.

We believe this is due, in part, because of the Pay Demonstration Project. We believe that Secretary Pena should have met with employee representatives prior to making this faulty decision. We further believe it is not too late to reexamine it. If ever there was a program that could justify its existence, it would be the Pay Demonstration Project. The numbers of Full Performance Level air traffic controllers increased at all facilities, turnover slowed measurably, and the retirement rate slowed. The termination of the Pay Demonstration Project would have a devastating effect on the ATC's system, one that we may not be able to recover from without severe trauma. For example, New York Center currently has 77 controllers eligible to retire, and the New York TRACON has 30 controllers eligible to retire. Can you imagine the effect the loss of those proven air traffic controllers would have on the northeast corridor?

Chicago Center could lose 50 controllers to retirement. For over two decades, Chicago O'Hare has been nearly impossible to fully staff with qualified air traffic controllers. Now 70 percent of O'Hare's staffing comes from the attraction of the Pay Demonstration Project. As you well know, $200 million is being spent on a new radar facility for Chicago. Before building this facility, someone should make sure that they have air traffic controllers to staff it. It will not be like a field of dreams, "Build it and they will come."

Bay Coast TRACONs on the West Coast were unable to attract qualified applicants prior to the Pay Demo. Now their bid list looks like an ATC all star team. As I said earlier, this program has proven its worth and should continue.

NATCA believes that DOT and FAA have made a very shortsighted decision. The FAA seems to be willing to recreate the explosive atmosphere that led to a disastrous 1981 PATCO strike. Since our inception in 1987, we have worked very hard to create a climate of trust between the FAA and the union. We worked to develop successful joint programs that fostered problem solving at the lowest level, increased communications throughout the agency, and advances in employee involvement. It would be very hard to continue this risk-taking after such an act of bad faith on the part of the employer.

Secretary Pena was not quite forthcoming with you last week. They did not make the tough decisions. They made easy ones. The tough decisions would have been to look at FAA's bloated bureaucracy to address the issue of nine separate fiefdoms, known as regional offices, to address the ratio of air traffic controllers to manage and to stop chasing after obsolete technology, such as Microwave Landing Systems.

In the 1994 fiscal budget request, the FAA is requesting $68.8 million for Microwave Landing Systems. It is like trying to invent tube radios or televisions. The FAA could dump MLS and have enough money available to fund the Pay Demo Project for nearly three years.

This faulty decision on the part of Secretary Pena is surprising when only last week he stated his desire to reach out and help our troubled airlines. After the air traffic controllers, who does he think the pay cut will harm the most?

Mr. Chairman, we ask that you step forward and add a little sanity to the process. We request that you and your subcommittee appropriate $24 million necessary to keep the Pay Demonstration Project.

I would like to move on now to permanent change of station funding. One of the biggest issues facing air traffic controllers today is general—is the inability of air traffic controllers to relocate, to improve their professional expertise, and to better serve the traveling public. For the past four years, FAA has reduced its request for PCS funding. The effect of this cut has been keenly felt by air traffic controllers at low-density facilities who could not move forward professionally. This creates a severe morale problem.

NATCA requests that you appropriate $60 million to be used only for PCS moves. The FAA discretionary authority over this money should be removed.

We also request that the expedited training and promotion program continue. This is truly a worthy program. It allows the FAA to promote controllers who do not meet the normal time-in-grade requirements but are progressing satisfactorily through the training program.

Mr. Chairman, I think it is very important that—because of the tone of my statement, that I say to you that the American air traffic controllers will always abide by the law. The days of slowdowns, the days of our reacting to what we feel is an abusive system, we will not allow the American public to get involved with our labor disputes, whatever they may be. So, although I speak in a firm tone, I speak in the firm tone because this system, the Pay Demonstration Project, PCS, has served the country well. The first time in 11 years that an O'Hare air traffic controller is only required to work six days a week every other week.

Mr. Chairman, I ask that—and you have already said, of course, that my entire testimony would be placed in the record.

Mr. Carr. Thank you very much, Mr. Bellino. It will be.

[The prepared statement of Mr. Bellino follows:]

TESTIMONY OF

JOSEPH M. BELLINO, EXECUTIVE VICE-PRESIDENT

NATIONAL AIR TRAFFIC CONTROLLERS ASSOCIATION,

AFL/CIO

BEFORE

THE HOUSE TRANSPORTATION AND RELATED AGENCIES
APPROPRIATIONS SUBCOMMITTEE

ON

FAA'S APPROPRIATIONS REQUEST FOR FY '94

MARCH 29, 1993

NATIONAL AIR TRAFFIC CONTROLLERS ASSOCIATION MEBA/AFL-CIO
Suite 845 • 44
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Good afternoon Mr. Chairman and members of the Subcommittee. My name is Joseph M. Bellino and I am the Executive Vice-President of the National Air Traffic Controllers Association (NATCA). As you know, NATCA represents the 14,700 dedicated air traffic controllers employed by the Federal Aviation Administration (FAA). We thank you for this opportunity to share our views with you on the FAA's Fiscal Year 1994 appropriations request.

Again we come before you to plead our case on items such as: controller staffing levels; lack of sufficient PCS funds; expedited training & promotion ability; and, controller compensation issues. I will address these issues separately.

CONTROLLER COMPENSATION/PAY DEMONSTRATION PROJECT

Like all federal employees, air traffic controllers have been asked to lead the country in sacrifice to help President Clinton reduce the deficit. While everyone else is being asked to pay higher taxes, federal employees are asked to pay higher taxes, accept a pay freeze, and contribute more in the form of out-of-pocket expenses for their medical coverage. Air traffic controllers and other federal employees are willing to do their fair share; but the Administration's request seems excessive.

Now, on top of that, air traffic controllers at some of our nation's busiest air traffic facilities are being asked to contribute an extra 20%. Last week, before this most honorable panel, Transportation Secretary Pena testified that the Department is "making the tough choices." If it wasn't so sad, it would be laughable. The tough choices do not come while sitting in a paneled office, insulated from your employees and cutting their salaries. The tough choices come when working families have to determine how to absorb a 20% cut in pay.

You will recall, Mr. Chairman, that the Pay Demonstration Project (PDP) was initiated to assist those air traffic facilities that were historically understaffed by providing them with an additional 20% in compensation to attract and retain highly qualified air traffic controllers. The PDP covers New York Center, New York TRACON, Chicago Center, Chicago O'Hare TRACON, Chicago O'Hare Tower, Bay TRACON in Oakland, Coast TRACON in Southern California, Los Angeles TRACON and Los Angeles Tower. These facilities are our nation's busiest and among the busiest in the world.

We believe that Secretary Pena should have met with employee representatives prior to making this faulty decision. We further believe that it is not too late to reexamine it. If ever there was a program that could justify its existence, it would be the Pay Demonstration Project. The numbers of Full Performance Level (FPL) air traffic controllers increased at all facilities, turnover slowed measurably and the retirement rate slowed. The termination of the PDP would have a devastating effect on the ATC system -- one that we may not be able to recover from without severe trauma. For example, New York Center currently has 77 controllers eligible to retire and the New York TRACON has 30 eligible to retire. Can you imagine the effect the loss of those proven air traffic controllers would have on air traffic in the northeast corridor? Chicago Center could lose 50 controllers to retirement. For over two decades, Chicago's O'Hare has been nearly impossible to fully staff with qualified air traffic controllers. Now 70% of O'Hare's staffing comes from the attraction of the PDP and over 20 of them are eligible to retire. As you well know, $200M is being spent on a new radar facility for Chicago. Before building this new facility, someone should make sure that they have air traffic controllers to staff it. It will not be like Field of Dreams --"Build it and they will come." Bay and Coast TRACONs on the westcoast were unable to attract qualified applicants prior to Pay Demo, now their bid lists reads like an ATC all star team. As I said earlier, this program has proven its worth and should continue.

NATCA believes that the Dot and the FAA have made a very short-sighted decision. The FAA seems to be willing to recreate the explosive atmosphere that led to the disastrous 1981 PATCO strike. Since our inception in 1987, we have worked very hard to create a climate of trust between the FAA and the union. We worked to develop successful joint programs that fostered problem solving at the lowest level, increased communications throughout the Agency and advances in employee involvement. It would be very hard to continue this risk-taking after such an act of bad faith on the part of the employer.

Secretary Pena was not quite forthcoming with you last week. They did not make the tough decisions. They made the easy ones. The tough decisions would have been to look at the FAA's bloated bureaucracy, to address the issue of nine separate fiefdoms -- known as regional offices, to address the ratio of air traffic controllers to managers and to stop chasing after obsolete technology such as Microwave Landing System (MLS). The FAA could dump MLS and have enough money available to fund the PDP for nearly three years.

This faulty decision on the part of Secretary Pena is surprising, when only last week he stated his desire to reach out and help our troubled airlines. After the air traffic controllers, who does he think the pay cut will most harm?

Mr. Chairman, we ask you to step forward and add a little sanity to the process. We request that you and your Subcommittee appropriate the $24M necessary to keep the Pay Demonstration Project going.

PERMANENT CHANGE OF STATION (PCS) FUNDING

One of the biggest issues facing the air traffic control system today is the inability of air traffic controllers to relocate to improve their professional expertise and to better serve the traveling public. For the past four years the FAA has reduced its request for PCS funding. The effect of this cut has been keenly felt by controllers at low density facilities who cannot move forward professionally. This creates a severe morale problem. Financially for the FAA, it makes more sense to fund PCS higher, since the Agency would notice a benefit in its training budget. Simply put, these proven controllers, already in the system, are more apt to successfully complete the training at higher density facilities than a raw recruit from the Academy or the College Program. Plus they will complete the training in a shorter period of time. They have already proven themselves, and should not be artificially held back. NATCA requests that you appropriate $60M **to be used only for PCS moves.** The FAA's discretionary authority over this money should be removed.

EXPEDITED TRAINING & PROMOTION

This is truly a worthy program. It allows the FAA to promote controllers who do not meet the normal time in grade requirements; but, are progressing satisfactorily through the training program. The FAA then is able to utilize them as qualified controllers on certain positions, adding to the flexibility of the facility. We do not believe the System could operate without this ability. Should the FAA lose this ability, massive amounts of overtime would be required to operate the System. We hope this Subcommittee will appropriate sufficient funds for this program.

CONTROLLER STAFFING

Secretary Pena testified last week that there was a sufficient number of air traffic controllers (17,871) for FY '94. You must remember that the Secretary is talking about "controller workforce" versus the number of air traffic controllers who separate air traffic, day in and day out. Using the FAA's own formula for counting the controller workforce, there are still 1,500 fewer air traffic controllers than in 1981. That does not take into account that traffic has grown 28% since that time. Below is a breakdown of the controller workforce numbers compared between 7/81 (last full month before the strike) and 1/93.

	7/81	1/93
FPLs	13,311	12,038*
Developmentals	2,939	802
1st Line Supervisors	2,118	2,369
Trainees	125	-
Controller Staff	900	-
Other Controllers	-	2,684**
TOTALS	19,393	17,893

* Includes 456 traffic management coordinators. They do not work traffic and were not in existence in 1981.

** Staff positions that the FAA counts in their "new" workforce numbers. They do not work traffic.

I know you have been told for years that as soon as the new technology is available, fewer controllers will be required. That is just not true. As you know, the Advanced Automation System (AAS) has been pushed back at least three years. In the meantime, we still have to work the traffic in the system with the technology available.

Earlier this month at a House Aviation Subcommittee Hearing, Chairman James Oberstar noted that the AAS is more labor intensive than the current system. So you see, there will be just as many controllers needed in the future -- if not more. By the end of the first Clinton Administration, air traffic instrument operations have been forecasted by the FAA to grow by 15.6% over the 1991 level. Looking again at that same period, the FAA forecasts that all operations at airports with control towers will increase by 17.3%. Therefore, aviation growth will continue for the foreseeable future. We have to ensure that we have the qualified people available to handle it in a safe and efficient manner. We hope that you will agree with us and appropriate sufficient funds to force the FAA to hire the required number of air traffic controllers.

Mr. Chairman, this concludes my statement. I will gladly answer any questions that you or the Subcommittee may have. Thank you.

MONDAY, MARCH 29, 1993.

PROFESSIONAL AIRWAYS SYSTEMS SPECIALISTS (PASS)

WITNESS

HOWARD E. JOHANNSSEN, CHAIRMAN, PROFESSIONAL AIRWAYS SYSTEMS SPECIALISTS

Mr. CARR. Mr. Johannssen.

Mr. JOHANNSSEN. Let me apologize for my lateness.

Mr. CARR. We sped the process up. Your statement will be printed in the record, and I ask that you summarize.

Mr. JOHANNSSEN. I will summarize my statement. In summarizing my statement, you will hear me talk a lot about staffing somewhat about staffing. But let me start by, unfortunately, sharing with you that one of our employee's, Richard Barrett, with the National Weather Service, but does work at the Los Angeles long-range center—is not unusual in the sense that he stands a lot of watches alone.

On the 19th of this month, at about nine o'clock in the morning, he passed away. His body wasn't discovered until about 1:10 in the afternoon. So when I talk about staffing, not only is the fact that one person working alone in a lot of critical areas is important, there are a lot of other things we must consider when we consider this thought; and it is an unfortunate thing.

The letter comes in from the center and they close with, "Reduced staffing has produced a very serious safety problem. Technicians are required to work on equipment and in areas that, should anything happen, might go unnoticed for an entire 8 to 10-hour watch scheduled."

Since 1977, PASS has served as the exclusive representative for the Technical and Aviation Systems Specialists employed by the FAA. Presently, PASS proudly represents more than 10,000 FAA employees, including the Airway Facilities, Flight Standards Aviation Safety Inspectors, and the Office of Aviation Systems Standards.

On a daily basis, these highly skilled and dedicated men and women perform critical safety-related tasks which protect the flying public. Today I appear before you to address the serious problems which this group encounters as a result of a lack—continued lack of funding for the FAA operations. Although I realize that things are tough economically, I, nevertheless, believe that it is imperative for this subcommittee to appropriate the funds necessary to alleviate these problems.

Secretary Pena appeared before this subcommittee last week to outline his fiscal 1994 budget request. He stated that, and I quote, "reflects tough choices and a significant belt tightening," unquote and that he proposes the termination of the Pay Demonstration Project as a cost cutting measure.

PASS strongly urges you to reject this proposal. Elimination of the PDP would not only result in a 20 percent pay cut for our work force but would also negatively impact air travel and safety. The PDP was established to enhance the FAA's ability to recruit and retain experienced, qualified employees at hard-to-staff facilities.

Currently, at the Aurora Airways Facility Sector, there are 24 employees eligible to retire during fiscal year 1993. This is approximately 40 percent of the operational positions used to keep one of the busiest air traffic control facilities operating. If we lose the Pay Demo Project, we may very well lose these experienced employees. This will result in more and longer equipment outages, as well as more delays for aircraft and air travel, ultimately costing the airlines millions of dollars.

I would like to briefly outline other problems which our work force faces and our recommendations for alleviating those problems.

On the airways facilities problems, staffing and hiring, an increased maintenance work load has resulted in eight of the nine regions being dangerously understaffed. Currently there are 6,000 trained, partially trained, or untrained systems specialists maintaining 29,000 FAA facilities and systems throughout our Nation.

A full 50 percent of the best qualified and experienced AF employees are eligible to retire in the next five years. We urge this subcommittee to appropriate the necessary funds so that FAA may be authorized immediately to hire additional AF systems specialists. Staffing must increase from the current level under 6,000 to a minimum of 9,200.

Increased work load and equipment problems: A growth in the number of facilities due to non-Federal facility takeovers, military base closures, and the unanticipated delays in replacing aging equipment have also contributed to an increase in AF work load.

Training problems: As the AF work load increases and staffing levels decrease, it is becoming more difficult to release the existing work force for the training on new systems.

Contracting out: The FAA fiscal 1994 budget request for contract maintenance is 51 million—$51.7 million, which is an increase of $29.6 million from fiscal year 1993. How can the FAA budget justify such an outrageous expenditure? According to the GAO, an inhouse staff could save the agency about $45,000 per staff year compared to using a contractor.

Flight standards aviation safety inspectors encounter problems with qualifications and currency. FAA orders stipulate that all inspectors must be provided with currency flight time, continued training, and advanced training in new aircraft systems and methods of maintenance. But the agency rarely complies with their own mandates. As a result, operations and air worthiness inspectors are seldom provided with the funds needed to comply.

PASS strongly recommends that funds be allocated for the currency requirements and for training of all personnel on the Flight Standard Service.

Ineffective utilization of inspector work force: Although Congress has mandated that inspectors spend at least 35 percent of their time performing inspections, the GAO reported last year that they were not meeting this goal.

PASS recommends that funds be allocated to hire 240 Aviation Safety Technicians and 300 clerical employees so that the inspectors can do the job that they were hired to do.

Three, computer problems: On a daily basis, safety inspectors face a multitude of computer, equipment, and software related problems. Additionally, the amount of information being placed in FAA's computer systems is so great that it is difficult, if not impossible, to retrieve. FAA needs to fund—funds to reduce computer hardware and software systems.

PASS strongly urges Congress to approve the inclusion of safety inspectors in the Air Traffic Revitalization Act of 1981 which encompasses all other safety-related personnel working for FAA.

President Clinton has called for a time for change in America. Unless this subcommittee recognizes and addresses the problems that we have presented in this testimony, you will miss a crucial opportunity to make a change and to achieve the goals laid out by the new administration.

Finally, PASS would like to voice our concern with the proposed budget resolution for 1994 which calls for severe civil service cuts. We believe that the FAA must attract and retain qualified and dedicated people. Therefore, we strongly urge Congress to reject any budget plans that would freeze the pay of Federal workers, delay the start of locality pay raises, or terminate the Pay Demonstration Program. Thank you.

[The prepared statement of Mr. Johannssen follows:]

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TESTIMONY OF HOWARD E. JOHANNSSEN, CHAIRMAN

PROFESSIONAL AIRWAYS SYSTEMS SPECIALISTS (PASS)

BEFORE THE

HOUSE APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION AND RELATED AGENCIES

MARCH 29, 1993

Chairman Carr and Members of the Subcommittee:

Good Afternoon. My name is Howard Johannssen, and I am the National Chairman of the Professional Airways Systems Specialists (PASS) - District No. 1 - MEBA/NMU (AFL-CIO). Thank you for allowing me the opportunity to testify before you concerning the Federal Aviation Administration's (FAA) budget request for fiscal year 1994.

Since 1977, PASS has served as the exclusive representative for Technical and Aviation Systems Specialists employed by the FAA. Presently, PASS proudly represents more than 10,000 FAA employees, including the **Airway Facilities (AF)** employees who install, repair, maintain and certify the entire realm of electronic, electromechanical and environmental systems used in air traffic control and national defense; the **Flight Standards Aviation Safety Inspectors (FS)** who oversee and inspect every aspect of the commercial and general aviation industry; and the **Office of Aviation Systems Standards (AVN)** employees who are Flight Inspection Pilots, Flight Procedures Specialists and Electronics Systems Specialists.

As you can see, our work force is a crucial component of the FAA. On a daily basis, these highly skilled and dedicated men and women perform critical safety-related tasks which protect the flying public. Today, I appear before you to address the serious problems which this group encounters as a result of a continued lack of funding for FAA operations. Although I realize that "times are tough" economically and that Congress will have to make some hard choices on where to cut spending, I nevertheless believe that it is imperative for this Subcommittee to appropriate the funds necessary to alleviate these problems. The FAA and Congress cannot continue to ignore the grave inadequacies which plague our National Airspace System (NAS) and which jeopardize the integrity of the aviation industry and the safety of our skies.

AIRWAY FACILITIES (AF)

In December 1981, the FAA embarked on an ambitious, comprehensive plan, the National Airspace Systems Plan for Facilities, Equipment and Associated Development (NAS Plan), for modernizing and improving air traffic control and airway facilities services. By design, the NAS Plan is "to provide for the safe and efficient use of the nation's airspace, while minimizing constraints on its use." However, as the FAA struggles to make the NAS Plan operational by the year 2000, the Agency has begun to realize that "implementation of the NAS Plan has had and will continue to have a significant impact on the maintenance operations of the AF sector."

Without a doubt, our AF work force has indeed felt this impact, and unfortunately, decreased FAA funding has only intensified the repercussions. I will now focus on specific areas of concern and on how the inadequacies in these areas severely affect AF employees.

STAFFING AND HIRING PROBLEMS

Within the AF work force, significant staffing shortfalls exist which not only increase maintenance workload but which also result in eight of the nine FAA regions being dangerously understaffed. In the early 1980s, our AF profession relied on more than 11,600 Systems Specialists to maintain 19,000 FAA facilities and systems throughout our nation. Today, while the number of facilities and complex electronic systems has increased to almost 29,000 and while Systems Specialists continue to be solely responsible for the upkeep and the safety of these systems, our professional ranks have been reduced to under 6,000 trained, partially trained or untrained Specialists.

Clearly, there is an urgent need for growth within our field maintenance work force. In fact, after analyzing staffing levels within the FAA, the General Accounting Office (GAO) has recommended that by FY 1995, "a field maintenance work force of about 11,900[1] will be needed -- an increase of 3,000 over the present number."

Under current FAA procedures, many of the major and most critical facilities are only staffed at a level of approximately 80%. More disturbing is the fact that many facilities are only able to maintain 70% staffing levels; others even fall below this mark. The effects of understaffing are numerous and are tremendously hindering our AF work force. For example:

- Although the workload at the Los Angeles Air Route Traffic Control Center (ARTCC) has better than doubled over the past several years and continues to grow at an alarming rate, staffing there has reached the lowest point in history. Vacancies at the GS-12 level, journeyman level, remain unfilled while staff, supervisor and management positions are filled without hesitation. Each time a position is filled, at the higher levels of management, it means the loss of another Systems Specialist and watchstander.

The situation is so critical in LA that, at present, most units cannot maintain 24 hour per day watch coverage and consequently must leave watches uncovered during mid-shift and evening watches.

- In the Oakland ARTCC, there is a shortage of seventeen trained and certified Systems Specialists. Because of understaffing and a lack of overtime money for shift coverage, shifts are regularly left uncovered because of sick leave, deaths or other emergencies.

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[1] This figure represents Systems Specialists, as well as managers and support staff. According to the FAA's own data, the current number of "hands on" certified or training to become certified Systems Specialists is less than 6,000. PASS recommends that the number of full performance Specialists be increased by 3,000 by FY 1995.

- At the Rome, NY, ARTCC a reduced four man schedule does not allow for evening coverage on weekends. Additionally, during the summer, vacation schedules require that some of the scheduled watches are left completely open. After three recent outages at this facility, which would have been prevented had a Systems Specialist been on-site, Air Traffic Controllers were provided with additional training on restoring electronic systems to compensate for AF understaffing.

- In Alaska, fully certified Systems Specialists and mechanics are taking a beating due to heavy workloads and understaffing. Employee morale has been greatly affected since a disproportionate amount of the work must be borne by a small amount of the available work force. Burnout levels in this region are excessively high.

- In the Empire, NY, AFS, a lack of Systems Specialists has resulted in reduced shift coverage. Only if storms are anticipated or if other serious circumstances arise are overtime funds used to cover open watches.

To complicate matters further, a full 50% of the best qualified and experienced AF employees are eligible to retire within the next five years. Currently, the average AF employee has an experience level of 19.3 years; the median age of our PASS AF work force is 49. Given the fact that three to five years of training are required before new hires are fully certified to maintain and to repair the equipment used in our nation's air traffic control system, there is an immediate need to begin hiring new Systems Specialists and to get them into the training pipeline so that they will be ready to replace their experienced retiring colleagues. This is the only realistic way that the FAA can even hope to remain current and to meet the escalating demands of the future.

As these examples illustrate, AF Systems Specialists are certainly being called upon to do more with less, and reduced staffing may present very serious safety problems. Clearly, staffing and hiring problems will not be solved if the FAA hires only a few Systems Specialists each month. Retirements, deaths, and attrition will negate the effects of any sporadic hiring. Therefore, I urge Congress and the FAA to intervene and to allocate funds for immediate hiring and for full staffing of our existing airway facilities.

INCREASED WORKLOAD AND EQUIPMENT PROBLEMS

Unfortunately, staffing and hiring shortfalls are not the only problems impeding our work force. A growth in the number of facilities -- due to non-Federal facility takeovers and military base closures -- and unanticipated delays in replacing aging equipment have also contributed to an increased AF workload. As I mentioned earlier, implementation of the NAS plan has certainly resulted in greater responsibilities for AF Systems Specialists.

On March 10th of this year, I appeared before the House Committee on Public Works and Transportation to testify on the problems in the FAA's Advanced Automation System Project (AAS) which is a component of the NAS Plan. The AAS will enhance and eventually replace existing automation equipment. Not only must our members train for new technology, but they must also maintain the current systems and equipment to the highest degrees of reliability.

As technical problems in the automation systems in use at ARTCCs continue to increase, maintenance of the NAS becomes exceedingly difficult. Replacement parts for aging equipment are hard to acquire or are no longer available. Scheduled outages which require corrective actions on these systems are rising, as are unscheduled outages. According to a Systems Specialist in the field, "this system is held together with twine and bailing wire."

While the modernization of the NAS Plan is intended to alleviate field maintenance workload by retiring older facilities and equipment, decommissionings are not occurring as planned, and consequently, a number of regions must now concurrently maintain dual systems. Today, there are in excess of 123 old enroute radar systems throughout the U.S., all of which suffer problems in varying degrees.

Although the non-joint (shared with military) use radars have been up-graded with new state of the art receivers, staffing problems and delays in retiring older equipment and facilities have produced an increased workload and have necessitated continuous upkeep which is far greater than the available staff can support.

It is imperative to remember that the FAA cannot continue to understaff and to eliminate technical positions based on efficiency projections of equipment not yet in place. Full implementation of the AAS will be -- at the bare minimum -- three years behind schedule. Other systems have been similarly delayed. The void in necessary talent must be filled now. Likewise, equipment requirements must be re-evaluated once new systems are installed and, more importantly, operational.

TRAINING OBSTACLES

Given modern technology, coupled with the on-going reorganization of the AAS, new equipment seems to be arriving at AF facilities on a daily basis. In order to operate and to repair this equipment, Systems Specialists require extensive training. Like staffing levels, however, training has also fallen victim to budgetary cutbacks.

Through many previous fiscal years, the AF had very well-seasoned and cross-trained journeymen, with above average experience. Because of diminished funds and decreased staffing and hiring levels, effective training for Systems Specialists is becoming a thing of the past, and equipment caused delays in the NAS have increased dramatically. By FY 1992, for example, the mean time to restore equipment had reached a high of 14.23 hours.

In the 1980s, the FAA established a maintenance concept which stipulates that:

> "Each airways sector will have a central processor that monitors most of the FAA remote equipment in the sector. The sectors will become self-contained units to provide repair of some modules and failed parts; will accomplish on-site training for large portions of basic system principles; and will deploy technicians to remote facilities, as required for maintenance."

Although these guidelines have been established, they have not been met.

As the AF workload increases and staffing levels decrease, it is becoming even more difficult to release the existing work force for training on new systems. In many regions, for instance, trained Systems Specialists must travel in excess of 100 miles to perform maintenance at facilities where new equipment has arrived but the on-site personnel has not received appropriate training. Conversely, there are facilities where Specialists have been trained on equipment as many as five years ago; yet, they are unable to incorporate or to utilize this training in their everyday work because the new equipment is still not in place.

Because the FAA has few other options, AF Specialists who are near retirement age continue to be sent through costly training programs on new systems and equipment intended to modernize the National Airspace System. Surely, it is less than cost efficient for older employees to complete expensive government training and then to return to work only for a short time before they retire. This practice amounts to a complete misuse of resources.

Unless the technical training program is fully supported and funded, the NAS could very easily reach a point where there are not enough trained Specialists to fix or to certify new and existing equipment. The end result would be to discontinue use on this equipment to ensure that unsafe equipment is not used. Systems Specialists recognize that it is better to have airplanes waiting than to operate unsafe equipment or equipment whose safety is unknown.

Certainly, the staffing and training shortfalls which have resulted from insufficient budgetary allocations have unavoidably led to more and longer equipment outages, as well as more delays for aircraft and air travel. Not only do these continued delays impede the morale of the Systems Specialist work force, but they also deteriorate public confidence in air safety, therefore reducing the overall amount of air travel.

OUTSIDE CONTRACTORS

As an alternative to the myriad of staffing and training problems now hindering the AF work force, the FAA has resorted to contracting out. PASS firmly argues that contracting out is not a viable solution. For the most part, private sector contractors are unwilling to respond to the two hour restoration times which are the maximum allowable for our critical systems. In addition, some of the existing equipment is so old and outdated -- the AN/FPS-67B Electron Tube Radar, for instance -- that contractors are unable to repair the equipment because they do not have the proper training or experience that our experienced Systems Specialists have.

Along with the problems of restoration time and lack of experience, there is also an enormous price tag associated with contracting out. The FAA's FY 1994 budget request for contract maintenance is **$51.7 million** which is an increase of $29.6 million over FY 1993.

As you may remember, the GAO testified last year before this Subcommittee on the high costs of outside contracting, particularly with regard to FAA modernization. In its conclusions, the GAO praised the "excellent efforts" of Systems Specialists in maintaining "the overall system availability at about 99.8 percent" despite many setbacks. Also, the GAO questioned why the FAA "did not consider using in-house staff, which the Agency estimates would save about $45,000 per staff year compared to using contractor staff."

How can the FAA budget justify such an outrageous expenditure when, to be blunt, no one works as efficiently, as cheaply, and as quickly as the Systems Specialists who work for the FAA? While Systems Specialists have chosen this business as a career, contractors have chosen it for profit. In a year where the focus has been on "trimming government waste," this is clearly an area where the Administration and Congress can and should intervene.

Obviously, contracting out presents many logistical and financial drawbacks. The presence of outside contractors also poses a serious morale problem for the AF Systems Specialists. Just as strikers feel jeopardized by replacement workers, our Systems Specialists feel threatened by outside contractors. Because our AF work force is essential to the flying public, the FAA must maintain harmony and foster morale to ensure quality and safety. Contracting out only hinders efficiency and growth, thus stifling progress within the Agency.

RECOMMENDATIONS

1) We urge you to appropriate the necessary funds so that the FAA may be authorized immediately to hire additional AF Systems Specialists, as well as the necessary support staff to assist them with their duties. Staffing must increase from the current level

(under 6,000) to a minimum of 9,200 by FY 1995.

2) We hope you agree that outside contractors are not the answer to existing problems. Efforts to contract out FAA positions must be carefully scrutinized. Again, we urge you to address our staffing problems and to reject contracting out.

3) Because of the technical nature of these positions, it will no doubt take many months to recruit adequately qualified personnel. We would hope that this Subcommittee would require the FAA to provide staffing progress reports and would be prepared to fund additional numbers as needed. We believe that once an adequate staffing level is reached, we will have a work force capable of absorbing attrition and of performing the necessary technical and safety functions.

4) A bonus or incentive program needs to be implemented to encourage the highly skilled professionals within our work force to stop their exodus into retirement and the private sector. We would advise that this bonus be very limited so as to exclude personnel in non-critical areas, such as regional office, headquarters staff and second level or above supervisory positions. You should note that this type of incentive has proven quite effective in other government agencies and within the military.

We recommend that efforts to activate the Pay Comparability Act of 1990 be quickly initiated as an incentive to retain the workers eligible for retirement. Under the terms of this legislation, the FAA would be permitted to pay allowances of up to 25% of employees' base pay in order to retain the employee. If we think that the problem is bad now, I hesitate to imagine the situation in 1997 if 50% of our Systems Specialists retire, for once the current experts retire, they cannot be replaced.

5) Based on the recent Department of Defense cutbacks and reductions in personnel, PASS encourages the FAA to solicit and to recruit military personnel trained in electronic and environmental systems for careers within the Agency. Furthermore, we recommend that the Àgency allot funds to establish a task force to investigate the possibilities and the benefits of such recruitment. PASS would be happy to advise the Agency and to serve on such a task force.

Obviously, PASS strongly recommends that this Subcommittee consider the severity of the staffing shortfall within the Airway Facilities technical work force. Furthermore, we urge you to follow our suggestions and to mandate funding for AF staffing. While we realize the financial constraints which currently dictate government action, we believe that you must realize the possible economic and safety constraints placed upon the future of aviation by staffing shortages.

FLIGHT STANDARDS AVIATION SAFETY INSPECTORS (FS)

The Aviation Safety Inspectors of the Flight Standards Service represent the backbone of the FAA's aviation inspection program. According to the February 1993 **FAA Administrator's Fact Book**, the FAA employs approximately 2,400 Inspectors to oversee 6,054 air carrier and air taxis aircraft, 4,439 repair stations, 547 pilot training schools, 177 maintenance schools, 641,477 active pilots and 198,500 general aviation aircraft. Please note that these Inspectors are the only FAA employees with "Safety" as their middle name.

Primarily, Aviation Safety Inspectors are responsible for: 1) the routine surveillance of airlines and aviation-related activities which involves continuous, periodic inspections; 2) the certification of an airlines's operations and maintenance procedures; 3) the certification of air personnel; 4) accident and incident investigation; and 5) the overall promotion of safety.

QUALIFICATIONS AND CURRENCY

Without a doubt, our Aviation Safety Inspector work force is a professional and dedicated group. The FAA has established standards which, at the minimum, require one to possess certain credentials and to have attained specific skills in order to qualify for employment as an Inspector. In addition, the majority of Inspectors have at one time been employed as either Maintenance Supervisors, Chief Pilots, or Directors of Operations or Maintenance. Unquestionably, Inspectors are among the most qualified air personnel in the world.

Unfortunately, because of a perceived conflict of interest, the Inspector work force is prohibited from engaging in outside employment in their areas of expertise once they are hired by the FAA. As a result, Operations Inspectors cannot fly for commercial operators, and Air Worthiness Inspectors cannot participate in the maintenance of civil aircraft. We find this quite ironic given that the FAA demands that the Inspector work force remain current, qualified, and able to meet basic airmen standards, yet, at the same time, the Agency effectively denies opportunities for further experience and growth.

Although FAA orders stipulate that all Inspectors must be provided with currency flight time, continued training, and advanced training in new aircraft, systems, and methods of maintenance, the Agency rarely complies with their own mandates. As a result, Operations and Airworthiness Inspectors are seldom provided with the funds needed to comply with Agency handbook requirements.

Within one twelve-month period (ending March 3, 1993) for example, the FAA Flight Standards Division, Western-Pacific Region, issued approximately 130 waivers to 200 Operations Inspectors.

These waivers to the handbook requirements permitted Inspectors to conduct flight checks without receiving required recurrent training. Moreover, twenty of the waivers allowed Inspectors to conduct certification responsibilities in aircraft that they themselves were not even qualified to fly.

Similarly, Air Worthiness Inspectors do not receive state of the art training; consequently, they too are often involved with the certification of carriers or operators upon which they have had no training or firsthand experience. As you can see, Agency non-compliance not only hinders the Inspector work force, but it also places the flying public at risk.

As a result of Union pressure to provide required flight currency, the FAA proposed to change its handbooks and to provide minimum required training for Inspectors, doubling the time for training from one year to two years. Before impact and implementation bargaining on this change was concluded, however, the FAA enacted -- without notice to or bargaining with PASS -- a new change that effectively "grounds" half of its Operations Inspectors.

The following is an excerpt from the FAA's new policy regarding **"AGENCY FLIGHT PROGRAM RESOURCE MANAGEMENT FOR FY-93"**:

> As a result of congressional concerns over the management of the Agency's flight program, the DOT FY-93 Appropriations Bill reduced funding of the Agency's regional support flight program by 30 percent from the FY-92 base. At this level of funding, it is questionable whether Order 4040.9D currency requirements (e.g., 24 flight hours in the last 180 days) can be complied with for existing participants in the flight program. We cannot ensure that additional resources will become available for the program this fiscal year, thus an increased focus on flight program resource management is clearly warranted. Regional Flight Standards division managers shall implement the policy and procedures detailed in the memorandum.
>
> If the flight-hour currency cannot be maintained for all participants, a sufficient number of participants shall be temporarily removed from the program to ensure that the remaining participants can maintain flight-hour currency.
>
> Position description and performance standard requirements related to flight program participation for Flight Standards employees temporarily removed from the program as a result of this review are hereby considered to be in abeyance until resources permit those employees to be reinstated to the program. Medical certification requirements contained in Inspector position descriptions shall continue to be met, notwithstanding any temporary removal from the flight program as a result of this review.

Although there are many aircraft assigned to the FAA Headquarters Flight Program which could be utilized by Inspectors in the field, "Hanger Six," as the program is affectionately known, is not even covered by the new policy. Denying Inspectors currency time and available aircraft is just another example of poor Agency planning and procedure.

While the United States aviation industry is regarded as the most sophisticated in the world, continued improper oversight of the aviation industry is bound to destroy this illusion and may well lead to unsafe skies over our heads.

Certainly, Safety Inspectors are greatly hindered by such FAA policies and, resultantly, encounter tremendous difficulties as they struggle to remain current and knowledgeable. Unfortunately, the Inspector problems are only compounded by other serious impediments which will now be addressed.

INEFFECTIVE UTILIZATION OF THE INSPECTOR WORK FORCE

Although Congress has mandated that Inspectors spend a minimum 35% of their time performing inspections, the GAO reported last year that the FAA was clearly not meeting this requirement despite an on-going attempt by the Agency to develop "national guidelines for its inspection program that establish the number and frequency of inspections that must be undertaken." In our opinion, we believe the FAA is unable to meet these expectations and is still failing to provide the required percentage of inspections because of an ineffective use of available resources and an unequal distribution of staff.

Based upon personal observation and experience, FAA Inspectors continue to report that about 30% to 35% of the work accomplished in a Flight Standards District Office (FSDO) is administrative and clerical rather than safety-related. As a result, the average Aviation Safety Inspector spends at least 25% of his/her time performing the following clerical and receptionary duties:

1. Typing;
2. Filing;
3. Preparing mailing lists;
4. Managing records and files;
5. Revising Advisory Circular, FAR, and FAA Technical Orders, etc.; and
6. Answering telephones.

Meanwhile, para-technical and clerical personnel could easily accomplish most of these tasks at substantially lower costs to the FAA. The average difference in pay between clerical and technical staff is $13.00 an hour. It does not seem cost effective to require GS-13 and GS-14 technical employees to spend a substantial percentage of time performing the functions of capable clerks.

In some of the Flight Standards Regions, there is a position distribution imbalance. For example, the Oklahoma City FSDO is understaffed by fifteen employees, yet five other offices in the region are overstaffed by a total of twenty in positions at the General Manager GM-14 and GM-15 salary levels.

Although the FAA has created a new position for Aviation Safety Technicians (Position Description at the GS-1802-08 level) that could be used to alleviate some of an Inspector's workload requirements for para-technical assistance, the positive impact that this new position could have on the Inspectors has been slight because of stringent FAA requirements and a lack of funds.

Presently, any new positions that are established within the FAA must be filled in accordance with current position and resource allocations and hiring freeze restrictions. No additional positions or PC & B funds are available to support creation of these positions, and there is no requirement that these positions be established in any office.

COMPUTER SUBSYSTEMS AND COMPUTER SOFTWARE PROBLEMS

On a daily basis, Safety Inspectors face a multitude of computer, equipment and software related problems. Implementation by the FAA of the Automated Operations Specification Subsystem has only intensified these problems by requiring that operator companies observe the following procedures when new operations specifications (ops specs) are generated:

The company provides a contract employee (computer input specialist) with a book on the new system, and this employee creates checklists and work sheets to give to the Inspector which, when completed, will be in excess of 60 sheets of paper. Along with this paperwork, a new order, 8400.1, has been implemented to describe the new system without any training being given to the Inspector work force.

After the Inspector fills out the variety of forms, the data input specialist places all of this information into the computer, producing a 40 to 50 page draft copy of the new ops specs. Next, the Inspector reviews the draft and makes corrections which are inevitable because of the amount and complexity of the information placed into the computer. Having made these corrections, the input person generates the final 40 to 50 page copy of the ops specs and returns them to the Inspector along with 40 to 50 additional copies.

Lastly, the Inspector reviews, stamps, dates, and signs these documents and gives them to the operator to sign. The operator again makes copies which are placed into the company manual. The size of the new ops specs is often larger than the current company manual for many small FAR 135 operators. For example, an operator with 10 pilots, 3 management personnel, 5 aircraft, and a company president would have to copy 850 sheets of paper to meet the needs of their company.

On average, the copying cost to the company ranges from $50.00 to $60.00. The cost to the government is for three to six hours of Inspector time ($75.00 to $150.00); three to six hours contract employee time ($25.00 to $60.00); and approximately 200 sheets of paper. Altogether, the cost for each operator is $200.00 to $280.00, and this is for a small operator. A company with 50 to 100 pilots would cost much more.

The FAA's change to the operations specifications subsystem has caused confusion with the operator, has created new input work sheets, and has replaced the entire package. Even with constant complaints, the system has not been modified since its implementation, and instructions are still subject to Inspector interpretation because of a lack of official training. With just cause, the Aviation Safety Inspector work force is frustrated by this program, and the FAA has suffered a loss of credibility with the Air Carrier Public.

This is just one example of the nightmare of computer software problems which plague Aviation Safety Inspectors. There is also the OATS system which has complicated sign-on/sign-off procedures and the Program Tracking and Reporting System (PTRS) from which information cannot be retrieved.

The amount of information being placed in the FAA's computer systems is so great that it is difficult or impossible to retrieve because there is no interface between software systems. To reach a specific program, a computer operator must move through a morass of different modules. When information is finally located, it is often redundant. Finally, the time required to print any document is at least ten minutes, and each document or page that is printed is separated by a non-reusable blank page to separate the print jobs. Surely, even the most advanced computer user would find the FAA's computer systems unfriendly!

PAY COMPARABILITY

The most significant disparity between the Flight Standards employees and other FAA employees is the exclusion of Inspectors from the provisions of the Air Traffic Revitalization Act of 1981 which contains the 5% pay differential. Flight Standards employees believe that the only reason they were not included in this legislation is that they did not have Union representation in 1981.

The Aviation Safety Inspectors and the Aviation Safety Technicians who support them provide a valuable and essential service to the flying public. The safety aspect provided by these employees is comprehensive and contributes greatly to providing the best aviation system in the world. Still, these dedicated men and women are left out of the pay differentials that other FAA employees, with comparable salary grades, enjoy.

THE FAA ENROUTE INSPECTION POLICY

Last year, we testified that the FAA could utilize its Inspector resources more effectively and save approximately one million dollars each year by expanding its "enroute" inspection policy to enable Inspectors to fly in the cockpits of our nation's air carriers. We are pleased to report that we have jointly ventured into a cooperative effort with the FAA to produce a document on the enroute policy for the Inspector work force. The intention of this document is to meet the Congressional mandate on safety in the United States aviation industry and to fulfill the requirements of the National Airspace System Plan. If implemented, we believe this document will provide for utilization of all the Aviation Safety Inspectors employed by the FAA. Not only will safety be enhanced, but the FAA will save money.

RECOMMENDATIONS

1) PASS strongly recommends that funds be allocated for the currency requirements of the Operations Inspector work force and for the training of all personnel in the Flight Standards Service, including Aviation Safety Inspectors, Aviation Safety Technicians, and clerical staff.

2) PASS recommends that funds be allocated to hire 240 Aviation Safety Technicians and 300 clerical employees to support the present Aviation Safety Inspector work force. Without the addition of an adequate support staff to serve in an expanded technical role and without the relief of burdensome, routine clerical duties, the present ineffective usage of inspection staff will continue.

3) The FAA needs funds to review its computer hardware and software systems which inhibit Inspector efficiency and effectiveness. In addition, funds must be made available to acquire a single source of user-friendly computer software.

4) In order to retain and to attract Inspectors, PASS urges Congress to approve the inclusion of Safety Inspectors in the Air Traffic Revitalization Act of 1981 which encompasses all other safety related personnel.

OFFICE OF AVIATION SYSTEMS STANDARDS (AVN)

As previously mentioned, the Office of Aviation Systems Standards (AVN) employs Flight Inspection Pilots, Flight Procedures Specialists, and Electronics Systems Specialists who strive to produce flight procedures for the National Airspace System. The Directorate of the AVN occupies spacious and luxurious offices within the FAA's Aeronautical Center in Oklahoma City, Oklahoma. A rather large contingent of FAA staff employees works in these headquarters or in nearby branch offices.

AVN has Flight Inspection Field Offices (FIFO) located in Anchorage, AK; Honolulu, HI; Sacramento, CA; Oklahoma City, OK; Battle Creek, MI; Atlanta, GA; Tokyo, Japan; and Frankfort, Germany. From these various FIFOs, AVN staff works to maintain the NAS and to check and to certify the FAA's ground navigational electronic facilities and to manage the FAA's aircraft rental program which includes Flight Standards Aviation Safety Inspectors' currency. These FIFO offices are administered by top management and personnel officials, labor-management relations staff, and payroll department employees who operate from the Oklahoma City site.

Because the AVN organization exclusively manages its FIFOs from the Oklahoma City headquarters, the AVN does not, in reality, function within the mainstream of the FAA. Not only do offices and overhead management personnel overlap, but AVN services are not managed like other FAA services, such as Air Traffic Control, Airways Facilities, and Flight Standards. As you know, these FAA components are directed by divisional offices located in nine FAA regions.

By eliminating the Oklahoma City "headquarters" of AVN and placing this group within either the Airways Facilities Service or the Flight Standards Service, the FAA could eliminate tremendous costs and could substantially reduce the present AVN budget. In addition, such reorganization would result in more efficient use of management by placing the FIFOs under a regional concept.

With regard to our AVN work force, then, PASS proposes that Congress study this proposal to consolidate the AVN within the configuration of the FAA. We firmly believe a significant savings would result if these two entities were merged into one.

CONCLUSION

Without question, the PASS work force faces serious obstacles as we attempt to keep our airways system operating at the highest possible safety levels. While we understand that current economic trends have necessitated increased spending cuts, we nevertheless believe that the dramatic lack of funding for training and hiring additional Systems Specialists, as well as para technical support staff for our Safety Inspectors, jeopardizes the entire National Airspace System.

As you know, President Clinton has called this a time for "change in America." Unless this Subcommittee recognizes and addresses the problems that we have presented in this testimony, however, PASS resolutely asserts that a crucial opportunity to make a change and to achieve the goals laid out by the new Administration will be lost. Thus, we urge you to accept our recommendations and to allocate the necessary funds so that the FAA can initiate a realistic multi-year hiring and training program for all safety related positions within the Agency. In addition, we hope that you will agree that, in order to cut costs, the FAA must begin to limit the use of outside contractors and instead to work within the Agency.

Finally, PASS would like to voice our concern with the proposed budget resolutions for FY 1994 which call for severe civil service cuts. We believe that the FAA must attract and retain qualified and dedicated personnel; therefore, we strongly urge Congress to reject any budget plans that would freeze the pay of federal workers and delay the start of locality pay raises.

At this time, I would like to thank you again for allowing me the opportunity to appear before you. This concludes my testimony, and I will now be more than happy to address any questions you may have concerning the matters which I touched upon today or any other matter.

Mr. **Carr**. Thank you very much, Mr. Johannssen. Appreciate you being here as we do all of you.

Mr. Wolf, any questions?

Mr. **Wolf**. Yes, I have a number of questions. I want to welcome the panel here. I share your concern with regard to the pay question although that is in the budget package that passed. And I might say, not to rub it in, but I think I heard, during the election, Mr. Bellino, that your association supported Mr. Clinton, did you not?

Mr. **Bellino**. We still do, sir.

Mr. **Wolf**. You are still enthusiastic about the pay cut?

Mr. **Bellino**. No, sir.

Mr. **Wolf**. How about the cost-of-living adjustment? Do you support the cost-of-living adjustment restriction for Federal employees?

Mr. **Bellino**. We would support anything the administration determines is necessary. However, until that determination is finalized, we would plead our case.

Mr. **Wolf**. You mean you just support them no matter what?

Mr. **Bellino**. No, sir.

Mr. **Wolf**. No matter what they do, as long as it is in the final passage? That is what you said.

Mr. **Bellino**. Sir, I am an air traffic controller; and as such, from 1981 on, when we speak under the law, I must be very careful on how I speak as an air traffic controller.

Mr. **Wolf**. Then I won't ask you anymore questions with regard to that. The point I am trying to make is, in the Clinton package, there are devastating cuts for Federal employees and Federal retirees. They didn't go after the person who is a retired millionaire, who is a CEO living in Boca Raton who uses his cost-of-living adjustment to buy bait for his fishing tackle and his boat; but they went after a lot of Federal employees and you are an active duty Federal employee.

Mr. **Bellino**. Yes, sir.

Mr. **Wolf**. Then we will just kind of pass on the rest of the questions. But I think the record ought to show that I don't think that all of your membership necessarily supports whatever is in the administration's package.

Mr. **Bellino**. That is absolutely correct, sir.

Mr. **Wolf**. On the question with regard to Mr. Brown, have you looked at the base closing list to see if there are any airports there or general aviation? Or does general aviation have any plans with regard to that?

Mr. **Brown**. Yes, we have, Congressman. And there are a number of bases that we see as a high priority for conversion to civil use, particularly as general aviation reliever airports. One of—it's one that is close to home that you might be familiar with, it is not in your district, but Tipton is one that we think, between Washington and Baltimore, that is a key candidate. And there are others around the country.

There are some on the West Coast that would be very valuable because they are out of the major city centers. Generally, there is not a lot of congestion. There is good zoning around those airports, and they could be converted very easily for civilian use.

Mr. Wolf. Could you give the committee a list of the ones that could be used?

Mr. Brown. I would be happy to do that.

Mr. Wolf. Another question for Mr. Johannssen and Mr. Bellino: Are you looking at the use of military retirees? Because the defense cutbacks are quite extensive, up to 400,000 additional. Have you looked at it?

Mr. Bellino. NATCA does not support that program, sir.

Mr. Wolf. What if we need additional ones? You have no feeling that we should be looking into the military?

Mr. Bellino. I believe we should look at all of those. But the military aviation can be significantly different. It would, of course, depend upon where they come from.

What we are fearful of is a generic, "You were in the military, therefore you can go to O'Hare." We believe that the options—the vocational options are distinctly different. So to staff such a place like O'Hare——

Mr. Wolf. What I was referring to is that a number of the aviation wings in the Navy and in the Air Force are being cut back. There will, obviously, be some air traffic controllers, age 27, 28, 29, who will no longer have a career opportunity in the military.

Do you have any plans of looking into that?

Mr. Bellino. We are talking with the FAA about it, sir.

Mr. Wolf. FAA?

Mr. Bellino. Yes. We have discussed that with the agency. However, those discussions are in the initial phases, and our concern relates back to, what type of air traffic controller, were they radar air traffic controller, VFR tower. Our VTR towers, for example, have many, many people with no PCS money to move up.

So our concern would be someone from the military coming from outside the FAA and instead of going to a level one, two or three facility, jump up to a level four or five facility, while we have controllers who have been waiting seven, eight years at a less dense facility for the opportunity to move forward.

Mr. Wolf. Okay.

Mr. Fleming, could——

Mr. Johannssen. Could I respond?

Mr. Wolf. Sure.

Mr. Johannssen. Yes, we very much encourage. We believe that it takes two to five years to adequately train someone to become a systems specialist.

Being down by 3,000 qualified people, we believe there are a good number of folks that would be affected by the base closings, that the training would be minimal to a short-term training. And, therefore, we should take a look at the possibility of finding those people there. I know that kind of an out-of-school discussion with folks at FAA, they have been kind of looking at something that might accomplish that. And I think it would be very important we do so.

Mr. Wolf. Thank you very much.

Mr. Fleming, just a number of questions. You talk about human factors research, that 80 to 90 percent of all aviation accidents—what was in the budget—the fiscal year 1993 budget last year?

Mr. Fleming. Mr. Wolf, if memory serves me correctly, it was $27 million for the FAA's share.

Mr. Wolf. You are asking for an additional $10 million this year?

Mr. Fleming. Last year, we recommended a $10 million increment be added. That was not possible. And of course the program has now fallen behind the originally foreseen profile or need.

Mr. Wolf. So you would want 20? Ten to make up for last year and——

Mr. Fleming. If it is possible to do that. We realize the difficulties of course.

Mr. Wolf. What would be done with that? It sounds reasonable to me. What would be done with it?

Mr. Fleming. Mr. Wolf, it is a very comprehensive program that extends over a 10-year time period. It is outlined in a rather voluminous document by FAA and NASA, and I cannot——

First of all, I am not an expert, nor do I have a comprehensive knowledge of all the details that are in there. A great deal of the research would have to be done in the academic arena by notable researchers such as Dr. Earl Wiener at the University of Miami and other researchers.

Mr. Wolf. Is that on fatigue and issues like that?

Mr. Fleming. Issues that relate mostly to the interaction between the human being and the machine with which that human has to operate. And then in the air traffic control arena, that is a very important consideration. For example, with the introduction of the new work stations that controllers are going to have to adapt to in coming years. The same is true in highly automated airplanes.

It is not just an airplane issue. It is very definitely an air traffic control issue. It is a mechanics issue with respect to aging of air frames. There are a lot of people that suffer from these kinds of problems.

Mr. Wolf. If you would just furnish to the committee what you would do with that additional funding, if you are accurate here about 80 to 90 percent of the aviation accidents you think that $10 million or $20 million more would make that much of a difference?

Mr. Fleming. Over a long period, it will make a difference. We are absolutely convinced.

And, again, I recommended that the committee might want to ask for the views of some of the most noted experts, and I suggested Dr. Lauber of NTSB, who, before he came to NTSB, was one of the human factors researchers in the United States. He was at NASA at AIMS Research Center in California.

In our own industry, Northwest Airlines now employs another gentleman who has similar qualifications. His name is Clay Foushee—F-O-U-S-H-E-E, and he, too, came from NASA, AIMS.

And there are a relatively small cadre of people who understand the way human beings relate to sophisticated automated systems and the kinds of problems that can result, and, unfortunately, they are not—they have not been successful in generating the level of support that is required to sustain this kind of a program over a long period, and it has been a real frustration with all of us.

Mr. **Wolf**. Will there be a correlation for increased support in the reduction of the accidents?

Mr. **Fleming**. That is what we would expect. I don't think you are going to see that kind of result immediately. But, over a long period, you will see that result.

We know from the kinds of problems that those researchers have helped us resolve with respect to airplane operation that there are positive things that can be done to avoid human errors. Unfortunately, systems designers sometimes design in booby traps with respect to how the machine is going to be used by the human being, and the human being will make an error, and sometimes those errors cause accidents.

I am not suggesting that 80 to 90 percent of the accidents are caused by a single cause related directly to human factors, but you will find human performance plays a role in that percentage.

Mr. **Brown**. Mr. Wolf, I would like to add a brief comment on this point.

In general aviation, the vast majority of the operations are by a single pilot rather than as in a commercial operation. It is a multi-crew, two or three pilots involved in flying the aircraft.

So in this human factors area, a key priority that is outlined in the plan—and it is very important to us—is continuing investigation into pilot work load in a single pilot environment and how that can be best worked into equipment design and air traffic control standards so that a single pilot can continue to function in the system in an efficient way. And that is one of the key thrusts of the human factors research program that we value and see as very important.

Mr. **Wolf**. So you agree with the ATA's statement?

Mr. **Brown**. Absolutely. This is a much underfunded area and one in critical need of augmentation.

Mr. **Wolf**. Do you both agree with that?

Mr. **Bellino**. Yes.

Mr. **Johannssen**. Yes. The FAA has run some human factor workshops around the design of equipment, and we have participated kind of on and off over the years depending only what our relationship was.

And it is interesting that, from the times we were able to participate and have valid input, things seemed to go a lot smoother when the equipment actually arrived and where knob switches and doors were getting into the equipment versus times we were not. There were just certain things that were overlooked. And, certainly, that little ounce of prevention up front has so much cure behind it.

Mr. **Wolf**. Has anyone—has any administration ever had anyone come in other than GAO and audit the FAA? Audit the FAA as to—because I am not a pilot, although, fortunately, Mr. Carr is a pilot.

Has there ever been an audit, other than the GAO, of the FAA functions and budget with regard to safety?

Mr. **Fleming**. Mr. Wolf, I am not sure there has every been a comprehensive audit. The DOT Inspector General sometimes looks at program elements too.

Mr. **Wolf**. I was thinking of what some governors have done after they get elected. They then go to an outside group. But it seems to me that some outside group, someone outside who doesn't have a FAA government employee label, ought to be taking a look at some of this.

You want to—

Mr. **Johannssen**. They have in personnel matters. And I think from—as an outcome, because they have done that in personnel matters, not only is the FAA a better place to work, but it is much more harmonious and moving smoother—and I never thought I would say this—than it ever has. So looking—for the outside folks to look at the personnel and management style, there has been some fantastic gains and great economies that have come out of that.

Mr. **Fleming**. Mr. Wolf, Mr. Poritzky had a response to you in response to your question.

Mr. **Wolf**. Sure.

Mr. **Poritzky**. There have been several efforts of this sort. FAA has currently had several advisory committees which are largely almost exclusively made up of outside—FAA outsiders, in some instances, former FAA administrators, however.

They have looked both at the research and development process and the kind of funding, the priorities that have been talked about, and the process.

The Office of Technology Assessment, some little time ago, did a survey, I believe, of the FAA safety programs under former administrator John Maglukis. So there have been a number of these.

In the human factors arena—and Roger, above, said this, I expect, had he had the chance—there has been a fair amount of emphasis, certainly, as he indicated, from the airlines and the other trade associations. The issue in FAA—and I say this from a former life—the issue has always been heavily in the area of complacency, inattention, and boredom, which is the toughest area of human factors. And I think perhaps that is why Roger talked about our friend, John Lauber from NTSB, because he, probably more than anyone else I know, has been able to focus on that aspect because that is probably the toughest area of research in human factors.

Mr. **Wolf**. I appreciate that. I am not a technical expert in aviation, so perhaps I feel this way more than other members of the committee would feel. I haven't always had confidence in FAA.

On a couple of issues, we have asked it just seems that they differ so dramatically with independent observers. If I were an FAA administrator or secretary of transportation, I would invite all of your associations to come in just rip it apart. That doesn't mean that you would have to agree with it.

Then I would ask my people in the FAA to come back and answer what you say to prove you wrong, if you will, or to validate it. It seems that every time you try to go after the FAA or criticize them, they feel this kind of defensiveness that, if it is from outside—even with NTSB there is a kind of defensiveness. It is kind of like a White House, you can be a Republican administration or Democrat, you can offer the best idea in the world, but if they didn't come up with it, then they don't really want it. It seems to me, because of the safety issues, that that would be very, very important.

The airport terminals, maybe—I was going to move on to the gentleman next to you. What are your feelings with regard to ATA, "these gold plated" terminals that the airlines are complaining about? Do you think the National Airport terminal should be cutback somewhat? Or don't you really have any strong feelings about that? And what about other airports? There aren't many more being constructed, but some are being reconstructed.

Mr. FLEMING. I don't profess to be an expert in airport construction matters, but I think you have already heard our association's views on the terminal at Washington National Airport. And one of the factors that concerns us so greatly—and I pointed it out briefly in my statement—is the inevitable consequences of gold plated construction, that is, construction that isn't required to serve the functional—is that it has to be operated and maintained. And, inevitably, those operation and maintenance costs, over the years, far exceed the initial total outlays. And it is airlines and, in turn, airline passengers and shippers that bear those costs in the form of higher use fees for the airports in the airline industry. We simply cannot tolerate or endure unnecessary expenditures for which the airlines and their passengers and shippers are going to have to pay.

And it is for that reason we have had such a vigorous debate. We do not take exception to many construction projects at airports where the airport proprietor has reached agreement with an airlines that that improvement is needed for one reason or another.

Where we have had the difficulties is where the airport proprietor has undertaken a, too grandiose scheme, at least too grandiose in our judgment, and then expected the airline tenants to pay for it.

Mr. WOLF. What control do you have over that? If Jim Wilding wants to do what he is doing at National Airport or another airport operator in Cleveland or Buffalo or Toledo, what is your leverage, what rights do you have there?

Mr. FLEMING. I would prefer to submit some materials for the record, because again I am not an expert in all the avenues that are open to us, but negotiation, of course, is the primary one, and we would hope effective consultation between the proprietors and his tenants would avoid disputes over these kinds of things. It doesn't always work, unfortunately.

Mr. WOLF. Mr. Howard, you might want to comment. What are the means for the airlines to object?

Mr. HOWARD. I think specific reference has been made to Washington airport's authority. I think my best answer which would answer you on that one would be simply to quote a letter to Honorable Norman Mineta from the Chairman of the Board of Metropolitan Airport, February 16th. It says, "The airport's authority entered into contractual agreements with the airlines which embody the airline's specific endorsement of the 102 specific projects that make up the capital development program at National. These contain highly detailed cost estimates including initial estimates with contingency amounts. We are operating well within the amounts agreed to in those contracts, and will continue to do so."

That doesn't answer all of your questions.

Mr. Wolf. No, it doesn't, because U.S. Air was ready—I don't want to say go belly up, but they were having a very difficult time, and that is why the British Airways merger was important.

I don't fly out of National a lot because, fortunately, my district is right here; I can drive home. But when I have flown out—and I might say I have never parked in the congressional parking lot, let the record show—but I noticed the U.S. Air terminal looks fine now. And I have been led to believe that is going to be torn down.

Mr. Howard. That is my understanding.

Mr. Wolf. Yet U.S. Air is in a difficult financial situation.

Mr. Howard. I would have to certainly defer to Jim Wilding and the authority. But this is an airport which has probably desperately needed a redevelopment program 10 years ago. And a master plan was conceived many years ago for the airport. Once you start moving the pieces around and try to fit a whole development program into one rather small bit of acreage, some things that go have to go, and not much probably can remain in the total redevelopment of that airport.

So it is not just a question of being able to hang on to a piece here or there. I think that is probably the short answer.

But I would like to just broadly answer the question that in practically all developments of airports, I would say 90 percent or more of capital development that goes into the airport system, these development plans have been agreed to by the airlines.

Mr. Wolf. Well, I understand that. When I built my first house, I built two homes. The first house, we had the plans, and it called for a garage, air conditioning, everything else. When we got near the end, we asked the builder to leave the air conditioning compressor off and we didn't build a garage, until we could later afford it.

I guess conditions change, and they may have agreed to it, and during—no disrespect to Mr. Bellino—during the "terrible days" of the Reagan administration, we were creating new jobs and the economy was booming. Things have changed.

I just think the airline—airport operators have to be sensitive, because you lose jobs, you lose flights, you lose markets, because we are losing—I think your testimony said, 100,000 jobs?

Mr. Fleming. No, sir.

Mr. Wolf. You lost how many thousand?

Mr. Fleming. I didn't cite a job-loss figure in the airline industry. It may have been in the earlier testimony from Mr.—100,000 was the correct number.

Mr. Wolf. I guess that would—just to ask you one other question, did your airport counsel take a position on the Denver airport? Are they going to be members of your association?

Mr. Howard. I don't remember explicit formal directions on Denver, but we certainly support it. I think that although it may be—who knows, it may be the last major airport in the country that ever gets built, I still think that when you look 10 years, five years down the road, the nation is going to be very happy that it has got it.

The same kinds of attitudes about Denver were expressed in former years about Dulles, which went for years under-utilized, Newark airport——

Mr. **Wolf**. Aren't they closing Stapleton down?

Mr. **Howard**. Yes.

Mr. **Wolf**. So you are not really getting any more capacity.

Mr. **Howard**. No. Far more capacity.

Mr. **Wolf**. I think there are fewer gates at the new airport than at Stapleton.

Mr. **Howard**. The potential for increasing traffic at the new airport is very, very considerable over Stapleton. Stapleton had, as I remember, under certain kinds of weather conditions, pretty much of a one-runway operation at some times. I think you are looking at a major, major improvement in capacity in the long run.

Mr. **Wolf**. Thank you very much.

If any of you on the panel have any recommendations as to how you could legitimately, without interfering too much in the FAA process, think of coming up with a joint audit team, or a team that would go in to look at FAA on a friendly basis, if you will, not on the basis of attacking or criticizing anybody. Obviously you know more about the air traffic control problem.

If you have any thoughts with regard to that, or——

Mr. **Bellino**. We use OMB's circular A–109 and A–76, which ensure that—A–109 ensures a program or a project prior to it moving from one phase to another and full implementation, that the FAA can justify that it does operate according to specifications, and that it will complete the job for the Federal Government.

We normally raise that issue with the FAA.

Mr. **Wolf**. Do they listen to you?

Mr. **Bellino**. We then come to the Hill, sir.

Mr. **Johannssen**. If I may, three years ago, we reached a consensus agreement between PASS and the FAA top level management. I participate with the executive steering group on just about whatever goes on in the FAA, and we have some input there. But about three years ago, in the airways facility segment, and I want to be very specific, we now have working folks, people the field, at the birth of many ideas, and follow them through delivery, and we find that to be a wonderful way of finding some of the things that that person in the field might have experienced or knows the engineering or designing but hasn't quite thought about or had the experience or opportunity to understand. Within the airways facility, we have started that approach and it is working very well.

Last week I testified on the AAS and the reason for the delays and whether IBM should be allowed to continue and FAA should spend all that money. We normally have been a critic of the FAA. I supported the IBM and FAA effort even though it is a few years late and a couple of bucks over, because they are doing the right thing. They fell into some traps, but they are doing the right thing.

At that time I advised them that if I am an elected person, take my 10 worst critics, because they find things to criticize anywhere, and send them in. I think they will take me up on it.

Mr. **Wolf**. This is not meant to reflect negatively on anyone because we are not criticizing anyone. I want the record to show that. But what administrator of the last 20 years in FAA do you think was—I don't want to say the best, but was one of the best and open to change and ideas and was flexible and just did a good job?

Let me make sure the record states I am not inferring that anyone who was an FAA administrator did a poor job. But when you think over the last 20 years, who comes to mind? Maybe we will just go right down the line.

Mr. JOHANNSSEN. Joe Del Balzo.

Mr. WOLF. You can skip——

Mr. BELLINO. No, sir, I would be more than happy. I am trying to think of his name. He came from Federal Express, I believe.

Mr. CARR. T. Allen McCarter.

Mr. FLEMING. Joe Del Balzo.

Mr. HOWARD. I am going to have to defer to my colleague, but I am very impressed by what the acting administrator has been doing.

Mr. PORITZKY. I agree.

Mr. BROWN. It is kind of an accumulation, but I think Jim Busey, the most recent Administrator, probably benefitted a lot from his predecessors and finished a number of things we were all interested in.

Mr. PORITZKY. May I add just one point on the advisory question that you asked? I think it is fair to say, and several of us worked very closely with FAA on a number of issues, that there has not been a shortage of FAA asking or receiving advice, often in very ghastly detail.

I think, for example, most recently FAA has used the Aviation System Capacity Advisory Committee, which George Howard chairs, to establish a special task force on the advanced automation system and its problems.

Several of us worked with FAA on the runway incursion and airport surface transportation management working group. And there are probably a dozen others. So that I think the question really is not—it is certainly not in my mind—whether FAA asks for advice or receives it. They get quite a little.

And I think from my experience in the last five, six years, FAA has made itself very open to such input. And I would argue that they have acted on quite a lot of it.

Mr. CARR. I want to thank all of you for your patience and your attentiveness to the needs of the committee. We really appreciate it.

With that, this meeting in the Transportation Appropriations Subcommittee is adjourned.

THURSDAY, APRIL 1, 1993.

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY

WITNESSES

HON. J.J. PICKLE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

ANTHONY M. KOUNESKI, GENERAL MANAGER, CAPITAL METRO, AUSTIN, TEXAS

CELIA KUPERSMITH, ASSISTANT GENERAL MANAGER, CAPITAL METRO, AUSTIN, TEXAS

Mr. CARR. We will call this meeting of the Transportation Appropriations Subcommittee to order.

Our first witness is our good friend from Texas, the Hon. J.J. Pickle.

Would you like to come up and tell us what your plans are?

Mr. PICKLE. Thank you, Mr. Chairman and members of the committee.

I am from Austin, Texas, one of the most beautiful cities in the United States and we are growing. And like any major growing city over 500,000, we are faced with serious transportation problems. The Austin Metro Council is attempting to do something about it and have made some great plans. They have done it carefully and with full cooperation of the public. They are going to do that this fall with election and with a promise of meeting at least 50 percent of the cost.

We are proud to have Tony Kouneski, the general manager of the Austin Metro system. I have had the privilege of working with him individually now for about 5 or 6 years. I know the thoroughness of the commitment that he gives to this kind of a program.

I am pleased to present him to you, Mr. Chairman, and to ask for your full consideration of his program which he will present to you now.

Mr. CARR. We are pleased to have you here.

Mr. KOUNESKI. Thank you, Mr. Chairman and members of the committee. I have a brief statement I wish to make on behalf of our request.

Capital Metro is a regional transportation authority in Austin, Texas. We were created in 1985 by a local area vote. We are funded by a .75 percent sales tax, although we are authorized to collect a 1 percent sales tax. Capital Metro currently provides a variety of transportation services—fixed route and express services, dollar rides, and van pools, special transit for the disabled, and shuttle service for the University of Texas. We operate over 400 buses daily and our ridership has increased 62 percent from 1985.

Over that same period of time, our cost per passenger has decreased almost 50 percent.

Transit rides per capita in Austin are 40.7. This is significantly above most cities of similar size and characteristics, particularly in the southwest.

Looking to the future, the metropolitan planning in Austin has a plan which includes 100 miles of fixed guideway by the year 2020. Our analysis indicates that if a fixed guideway system is not implemented, additional freeway lanes through highly developed corridors would have to be built, a more expensive option for the community.

Capital Metro began its work in 1986 to identify specific transit needs for the future. We have identified the north/central corridor, which includes the downtown State office complex, the University of Texas campus, as well as several high tech industry campuses. This specific project is a 14-mile light rail system operating at grade connecting all these major employment sites with residential neighborhoods along the alignment.

The project is projected to cost $207 million. Capital Metro is proposing to pay for this system with 50 percent local funds, and hopefully 50 percent Federal funds. Our financial analysis shows that we are clearly able to meet our local match requirements and operate the system once it is functional. In fiscal year 1994, we are requesting $6 million to allow us to move into preliminary engineering.

To date, all planning expenses have been locally funded. There is $15 million of Federal funds already invested in Austin through the purchase of abandoned railroad right-of-way, on which 50 percent of this project would operate.

We are here today to seek your support for our request of $6 million and are now prepared to answer any questions you might have about the project.

Thank you.

[The prepared statement of Mr. Kouneski follows:]

PROPOSED
LIGHT RAIL TRANSIT SYSTEM
AUSTIN, TEXAS

Capital Metro

March 25, 1993

The Honorable Bob Carr
Chairman
House Appropriations Subcommittee on Transportation
and Related Agencies
2358 Rayburn HOB
Washington, D.C. 20515-2206

Dear Chairman Carr:

Capital Metro is scheduled to appear before the House Appropriations Subcommittee on Transportation and Related Agencies on April 1st to request support for Austin's proposed light rail transit system. We are specifically seeking a FY 1994 appropriation of $6 million which would fund a portion of the engineering costs for this project. This letter and the attached material is offered as background information for our request.

The proposed light rail transit system is expected to provide improved transit travel times, increase transit usage, reduce traffic congestion, and result in fewer adverse environmental impacts than other comparable transportation capacity improvements. For these reasons, the light rail proposal has received wide ranging local support. Capital Metro has received letters and resolutions endorsing the project from the Metropolitan Planning Organization, the Texas Department of Transportation, and appointed and elected officials and citizen groups, copies of which are enclosed.

Capital Metro is capable of providing a 50 percent local share of the project cost, and has established a fixed guideway development reserve fund that currently stands at $8.5 million. The 50 percent local share is a feasible commitment, given Capital Metro's dedicated sales tax authority currently at 3/4 percent. To date, planning activities totalling approximately $3 million have been funded exclusively from local transit revenues. Federal participation is evident in the project through the purchase of railroad right-of-way on which approximately half of the proposed starter line alignment is located.

Capital Metropolitan Transportation Authority
2910 East Fifth Street, Austin, Texas 78702 (512) 389-7400

We believe this project to be consistent with national transportation policy objectives and critical to the future mobility needs and economic vitality of Austin. We look forward to our appearance before the Committee and the opportunity of working with you to further develop this important project.

Sincerely,

Anthony M. Kouneski
General Manager

Enclosures

cc: Subcommittee Members
Congressman J.J. Pickle
Mr. Del Davis

Capital Metropolitan Transportation Authority
March, 1993

THE NEED FOR EXPANDED TRANSIT

In 1985, voters in the Austin region approved Capital Metro's legislatively mandated mission to reduce automobile congestion, improve air quality and enhance regional economic development. These goals have guided Capital Metro's service planning and performance in both the short-term provision of improved transit services, and in the preparation of long term fixed-guideway plans.

Capital Metro's proposal to provide light rail transit service in the Northwest/North Central corridor of Austin is a major step in the direction of fulfilling the legislative mandate. More significantly, the long-range transportation plan adopted by the Austin Transportation Study (which is the Metropolitan Planning Organization for the Austin region) includes 75 one-way miles of express bus service and approximately 100 one-way miles of fixed-guideway transit. The proposed light rail "starter line" is the first step in the development of the long-term plan.

Since 1986, Capital Metro has been studying alternative transit plans in response to Austin's changing travel needs. The Austin region has experienced a substantial population increase during the last forty years, and is expected to double its population within the next 25-30 years. Travel in the Northwest/North Central corridor of Austin, which is heavily influenced by the close proximity of the University of Texas, the state capitol office complex and the downtown business district, has grown significantly in recent years, leading to severe traffic congestion. The forecasted increase in employment for the downtown/state office/UT area makes central Austin one of the highest growth areas in the entire region. Providing for a high level of mobility into and out of this central area is one of the highest transportation priorities in Austin.

Transit, and in particular light rail transit (LRT), can help to meet this priority. Light rail will provide better transportation service to the residents of the corridor as measured by improved transit travel times. The average LRT rider is expected to save about 5 minutes per trip over a bus rider. The LRT alternative is also expected to provide better transit service to transit-dependent persons. These include University of Texas and other area college students, persons with mobility impairments, non-auto households, and households with more workers than automobiles.

The Need for Expanded Transit, continued

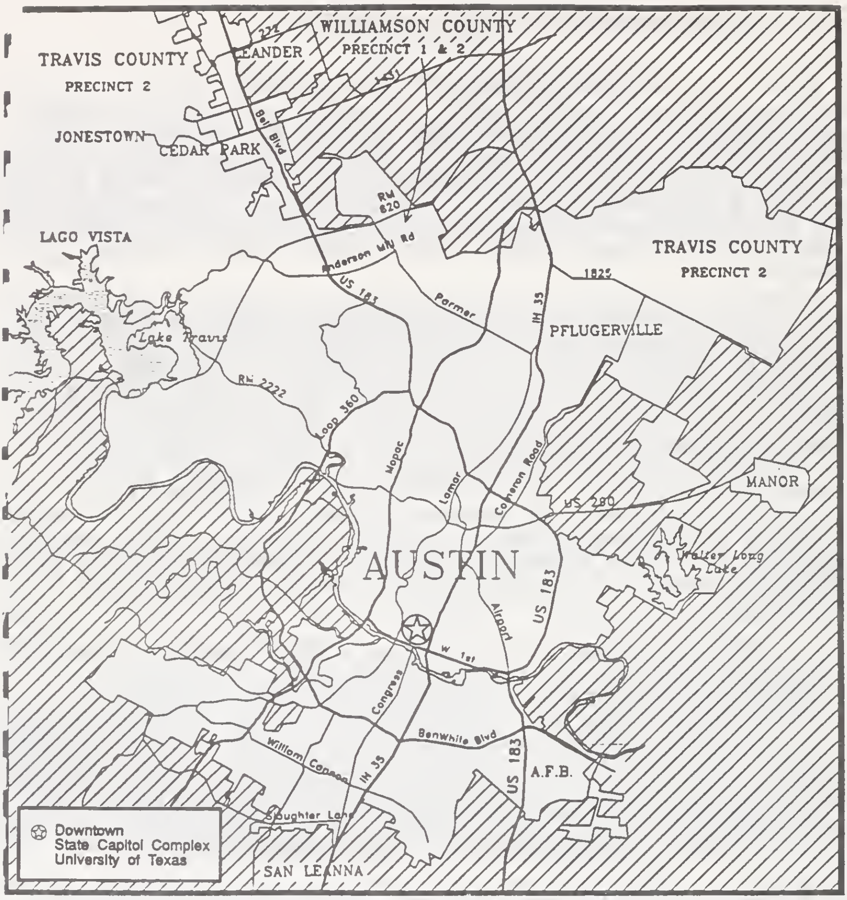
A light rail transit system will also increase transit usage as measured by total daily transit trips and the number of weekday LRT boardings. Current forecasts of long-term travel in the Austin region show an increase in the percentage of total daily trips on transit from 3.3 percent without fixed guideway to 5.0 percent with fixed guideway. With light rail, the mode-split in the peak hours would increase to 12 percent, thereby freeing up even greater roadway capacity during peak traffic loading periods.

Light rail is expected to reduce traffic congestion within the corridor as measured by reduced automobile trips. The Northwest/North Central corridor is roughly bounded by Interstate Highway 35 on the east and Loop 1 (MoPac Boulevard) on the west. These two parallel north-south freeways provide major access to Austin's downtown area, which includes the Central Business District, the State Capitol Complex, and the University of Texas. The corridor also encompasses major industry employers. The LRT alternative, providing service within this corridor, is expected to help relieve future traffic congestion on these freeways. Current long-term travel demand modeling indicates a need for additional freeway lanes for both IH-35 and Loop 1 if fixed guideway transit service is not provided.

The light rail system will accommodate future mobility needs in a way that will minimize adverse environmental impacts. By reducing air pollution and improving mobility, the LRT alternative is expected to accommodate economic development and revitalization without sacrificing the quality of life. Without a fixed guideway transit system, IH-35 and Loop 1 would require widening if they are to operate at acceptable levels of service in the future. However, because these freeways traverse well-developed urban areas, neither can be sufficiently widened without adverse consequences for the surrounding areas.

In summary, the proposed light rail transit starter line is a key component of this region's efforts to achieve a balanced transportation system capable of sustaining the mobility, quality of life and economic vitality that has traditionally characterized the Austin area.

More specific information is contained in the following pages, including a profile of Capital Metro and its current operating characteristics, maps showing the long-term fixed guideway system and proposed starter line, population and employment forecasts, the draft project profile developed for FTA's 3-j report, and evidence of local support.



CAPITAL METRO
SERVICE AREA MAP
AUSTIN TEXAS
MAY 1992 CMTA PLANNING DEPARTMENT

N
Not to Scale

SERVICE AREA CITIES

Austin	Manor
Ceder Park	Pflugerville
Jonestown	San Leanna
Lago Vista	Travis Co. Pt. 2
Leander	Williamson Co. Pt. 1 & 2

Capital Metro

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY

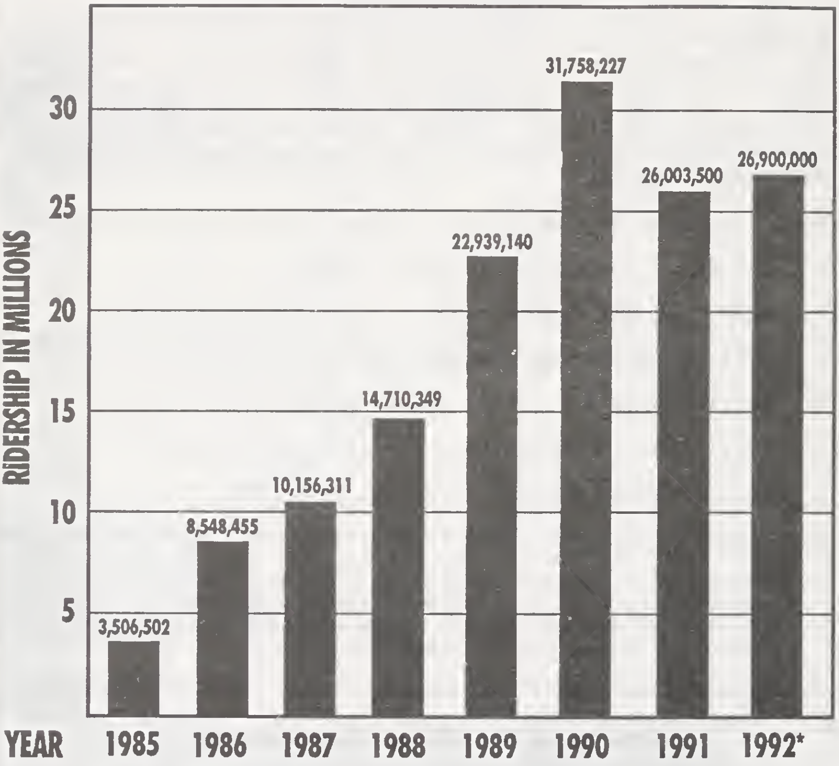
In January 1985, the Capital Metropolitan Transportation Authority, a public transportation system for the Austin area, was created under the provisions of Article 1118x (VTCS) by a vote of the public. In addition to the City of Austin, Capital Metro's service area includes the cities of Pflugerville, Manor, San Leanna, Cedar Park, Leander, Jonestown, Lago Vista, Travis County Commissioner Precinct 2 and the Anderson Mill area of Williamson County.

Basic features of the transit authority include the following:

- Number of Operating Vehicles - 418
- Number of Bus Routes - 62
- 1992 Systemwide Ridership - 26.9 million trips
- Service Area Size - 417 square miles
- Service Area Population - 535,000
- Local Funding Source - 3/4-cent sales tax
- Number of Alternatively Fueled Vehicles - 120 (end of 1992)
- Public Transportation Mobility Fund - Since 1987, more than $27 million made available to local agencies for street repairs on transit routes, sidewalk construction and other transit-related capital improvements.
- Types of Service Provided:
    - -Fixed-Route Radial and Crosstown Routes
    - -University of Texas Shuttle Routes
    - -Express Park-and-Ride Routes
    - -Downtown Trolley Buses
    - -Door-thru-Door Paratransit Service for the Disabled
    - -Suburban Dial-a-Ride Service
    - -Vanpooling and Carpooling Service
    - -Public Event Service

Capital Metropolitan Transportation Authority
2910 East Fifth Street, Austin, Texas 78702 (512) 389-7400

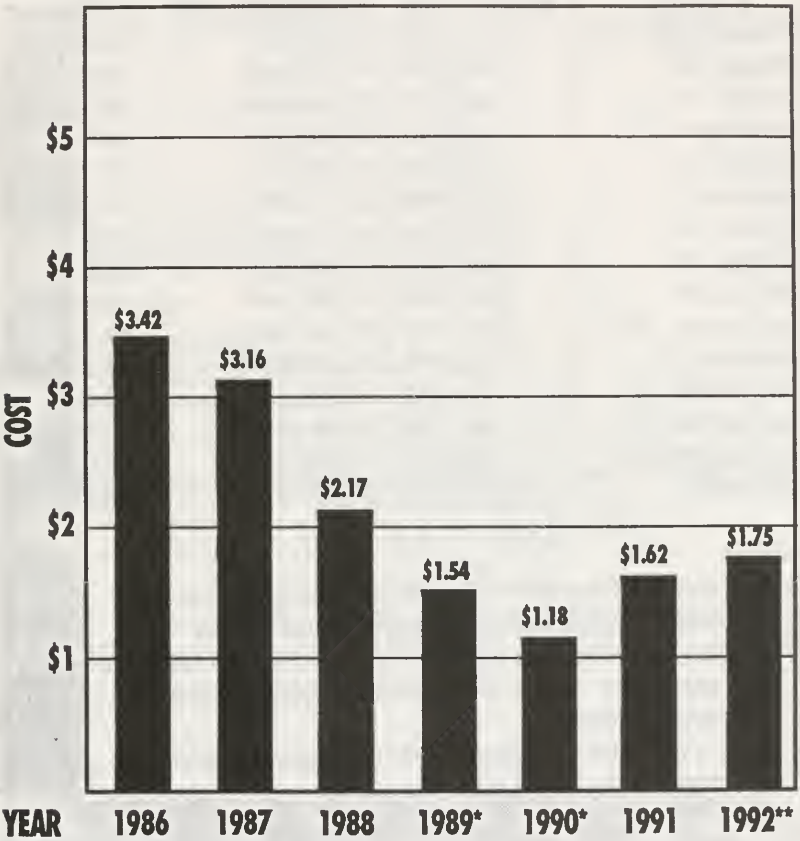
CAPITAL METRO RIDERSHIP FIGURES



*projected

KEY
1985– Only in operation 6 months
1988– Management of UT Shuttle started in September
UT Shuttle accounted for 3,287,080 passenger trips
1989– Free Fare started in October
UT Shuttle accounted for 8,052,230 passenger trips
1990– Full year of Free Fare
UT Shuttle accounted for 8,256,600 passenger trips
1991– Free Fare ended December 31, 1990
UT Shuttle accounted for 8,316,130 passenger trips

CAPITAL METRO OPERATING COST PER PASSENGER
(SYSTEM WIDE)



*During the last three months of 1989 and all of 1990, the Free Fare Program was in effect.

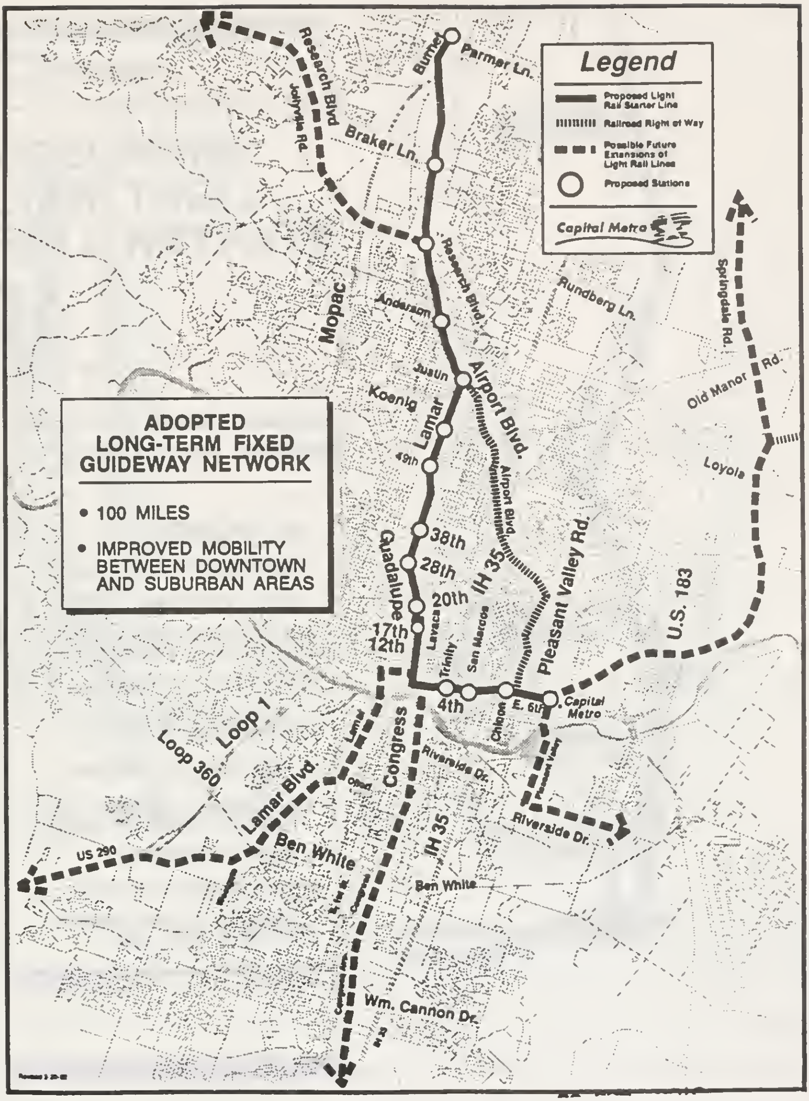
**projected

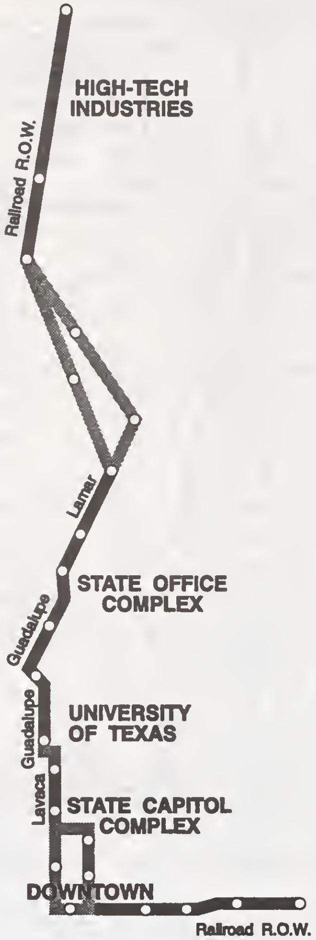
PEER CITIES COMPARISON – JANUARY – OCTOBER 1991
Based on Calender Year

CITY	SERVICE AREA POPULATION	RIDERSHIP	RIDERSHIP PER CAPITA	
Portland, OR	1,141,500	48,266,000	42.3	
Seattle, WA	1,500,000	61,758,000	41.2	
Austin, TX	538,632	21,903,268	40.7	
San Antonio, TX	1,161,171	39,895,233	34.4	
Tucson, AZ	405,390	12,862,377	31.7	
Houston, TX	2,712,000	73,172,560	27.0	
Dallas, TX	1,723,989	35,524,870	20.6	
El Paso, TX	532,000	10,953,109	20.6	
Dayton, OH	571,000	11,085,648	19.4	
Sacramento, CA	1,041,219	18,429,200	17.7	
Memphis, TN	702,512	10,890,498	15.5	(Jan–Aug)
Fort Worth, TX	447,619	4,817,134	10.8	
Kansas City, MO	1,489,736	15,464,849	10.4	(Jan–Sep)
Corpus Christi, TX	300,600	2,999,645	10.0	
AVERAGE	1,019,098	26,287,314	25.8	

NOTES:

1) Service Area Population is based on 1990 Census data
2) All figures provided by the respective transit agency
3) January – October figures were not available from Memphis or Kansas City. Values were estimated from ridership for period shown.
4) If the UT Shuttle is excluded from the Austin ridership, the ridership per capita becomes 27.8.


Legend
Proposed Light Rail Starter Line
Railroad Right of Way
Possible Future Extensions of Light Rail Lines
Proposed Stations
Capital Metro
ADOPTED LONG-TERM FIXED GUIDEWAY NETWORK
• 100 MILES
• IMPROVED MOBILITY BETWEEN DOWNTOWN AND SUBURBAN AREAS
Research Blvd
Jollyville Rd.
Burnet
Parmer Ln.
Braker Ln.
Research Blvd.
Mopac
Anderson
Rundberg Ln.
Springdale Rd.
Justin
Airport Blvd.
Koenig
Lamar
49th
Airport Blvd
Old Manor Rd.
Loyola
38th
28th
IH 35
Guadalupe
20th
17th
12th
Lavaca
Trinity
San Marcos
Pleasant Valley Rd.
U.S. 183
4th
Chicon
E. 6th
Capital Metro
Loop 1
Loop 360
Lamar
Congress
Riverside Dr.
Pleasant Valley
Oltorf
Lamar Blvd
Riverside Dr.
US 290
Ben White
IH 35
Ben White
Congress
Wm. Cannon Dr.



Capital Metro

Capital Metropolitan Transportation Authority

PROPOSED LIGHT RAIL STARTER LINE

↑ NORTH
Not To Scale

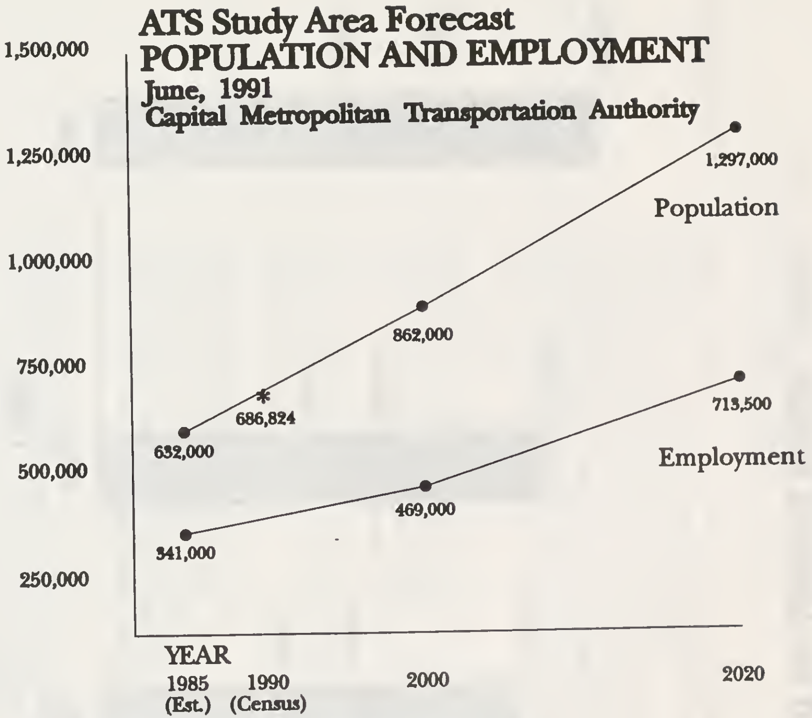
▬○▬	Tentative Station Locations
▨○▨	Alternative Alignments

KEY POINTS:

- $207 MILLION CAPITAL COST *
- LOCAL & FEDERAL FUNDING
- $5.4 MILLION ANNUAL COST * TO OPERATE & MAINTAIN
- 14.0 MILES, 18 STATIONS
- USES RAILROAD AND CITY STREET RIGHT-OF-WAY
- ELECTRICALLY POWERED
- PRELIMINARY YEAR 2000 DAILY RIDERSHIP FORECAST: 20,000
- 15-MINUTE SERVICE
- BOND ELECTION IN 1993/4
- POSSIBLE TO BEGIN SERVICE BETWEEN 1998 - 1999

*In 1992 Dollars

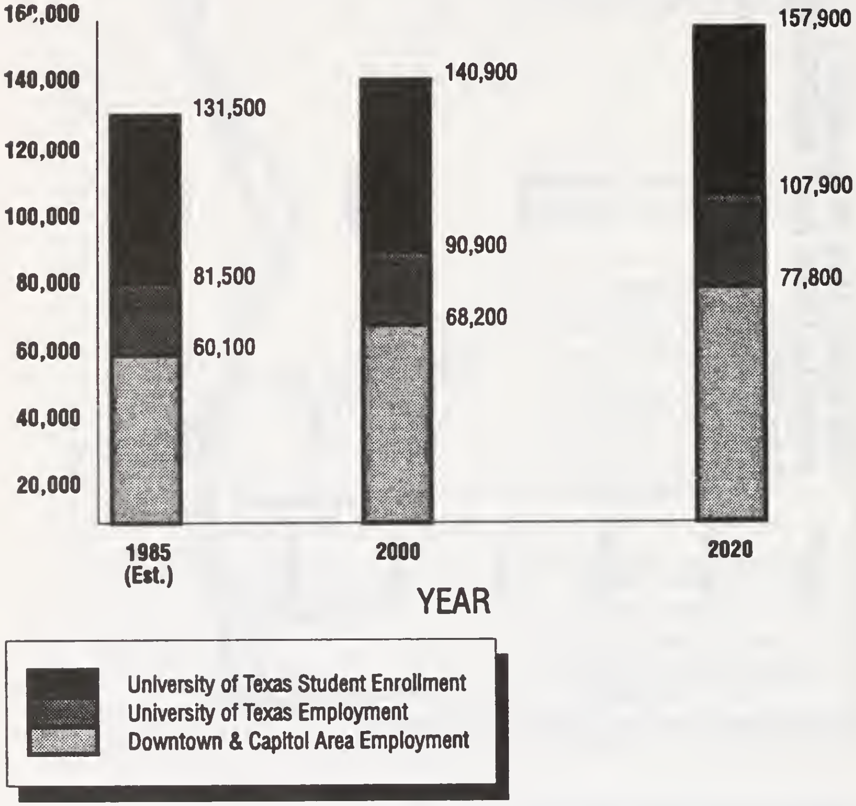
REVISED: MARCH, 1993



ATS Study Area Forecast
POPULATION AND EMPLOYMENT
June, 1991
Capital Metropolitan Transportation Authority

5/92

Austin Transportation Study
Forecast for Central Austin, Texas
June, 1991



Capital Metropolitan Transportation Authority
May, 1992

DRAFT
PROJECT PROFILE

Austin - Northwest/North Central Corridor
Austin, Texas
(January 1993)

Description	o	Capital Metro has resumed their alternatives analysis to evaluate transit alternatives for the 14-mile Northwest/North Central Corridor. The light rail alternative would use an at-grade alignment that will make use of both street and railroad right-of-way. Alignment options exist in the downtown area, the State Hospital area, and various State office complexes. The total estimated cost of the light rail alternative is $175 million (1991 dollars). (*)
Status	o	FTA approved the resumption of alternatives analysis in November 1992. Approval of a draft EIS is not expected before late 1993. Capital Metro has tentative plans to hold a bond referendum in November 1993. The Intermodal Surface Transportation Efficiency Act (ISTEA) did not authorize funding for this project, nor has Congress appropriated any funds.
Justification	o	Mobility Improvements. The North Central/Northwest corridor has an exceptionally large number of jobs for a city the size of Austin. Information on the mobility improvements of the various alternatives will be developed during alternatives analysis.
	o	Cost Effectiveness. In the prior alternatives analysis study, the most cost effective light rail alternative had an index of $15/new rider. However, the cost of the project has been scaled back considerably, from $240-$280 million to $175 million (*). Updated indices will be developed during alternatives analysis. Preliminary calculations indicate that the CEI number will fall in the $10-$13 range.

Northwest/North Central Corridor-Austin, Texas

- Environmental Benefits. Austin is in attainment of the National Ambient Air Quality Standards for ozone and carbon monoxide. At this time FTA has no information about the reduction in emissions that would result from any of the alternatives.

- Operating efficiencies. FTA has no information at this time.

Local Financial Commitment

- Capital Metro is expected to seek Section 3 new start funding for 50 percent of the cost of a 14-mile starter system. When Capital Metro was formed back in 1985, it was authorized to collect up to one cent in sales tax to support operations and capital programs. Presently, three quarters of one cent is being collected. Early projections indicate that a 50 percent local share of the capital investment could be generated without an increase in the three quarters percent sales tax. A bond referendum is planned for the Fall of 1993. Capital Metro's Board recently raised their fixed guideway reserve fund from $5 Million to $8.5 Million. FTA has rated Austin's capital financing plan as "high" since a funding source for the local share is already in place.

  The stability and reliability of Capital Metro's operating revenues is rated "medium to high". Operating costs are covered by the three quarters percent sales tax (82 percent), farebox revenues (15 percent), federal assistance (2 percent). Capital Metro's system is being adequately maintained and replaced through continuing reinvestment. (In 1990, the average age of Capital Metro's bus fleet was 4.5 years.)

(*) This draft was prepared by the Federal Transit Administration in consultation with the Capital Metropolitan Transportation Authority in December, 1992. Capital Metro has recently completed a review of the capital cost estimate for the project. The revised cost estimate, in 1992 dollars, is approximately $207 million.

LOCAL SUPPORT
For Light Rail Transit

Capital Metropolitan Transportation Authority March, 1993

PUBLIC OPINION SURVEYS

CATEGORY	SEPTEMBER 1991	JANUARY 1992	SEPTEMBER 1992	DECEMBER 1992
Awareness of Project	45%	66%	57%	70%
Support for Project	67%	72%	72%	74%
Opposition to Project	12%	12%	23%	21%
No Opinion	21%	16%	5%	5%

AUSTIN TRANSPORTATION STUDY

C/O City of Austin
P.O. Box 1088
Austin, Texas 78767
(512) 499-2275

March 25, 1993

The Honorable Bob Carr, Chairman
Appropriations Subcommittee on Transportation
2358 Rayburn, HOB
Washington, D.C. 20515-6027

Dear Chairman Carr:

I am writing in support of the Capital Metropolitan Transportation Authority's request for funding for the light rail transit starter line in Austin. The Capital Metro starter line is the first phase of a 100-mile fixed guideway system adopted by ATS in its Regional Long Range Transportation Plan in 1986, and is therefore consistent with that Plan.

The light rail transit line is vital for the future transportation system of the Austin Metropolitan Area. It will help to move us beyond an almost total reliance on automobile travel so that we can reduce congestion and continue to meet air quality standards as we manage the healthy growth which is forecasted for this area.

The early implementation of the starter line will generate momentum in creating a balanced transportation system. I strongly endorse Capital Metro's request and encourage your support.

Sincerely,

Gonzalo Barrientos

Senator Gonzalo Barrientos,
Chairman, Policy Advisory Committee

Texas Department of Transportation

DEWITT C. GREER STATE HIGHWAY BLDG • 125 E. 11TH STREET • AUSTIN, TEXAS 78701-2483 • (512) 463-8585

RECEIVED

JUL 31 1992

GM'S OFFICE

July 27, 1992

Mr. Tony Kouneski
Gernal Manager
Capital Area Metropolitan
Transit Authority
2910 East 5th Street
Austin, Texas 78702

Dear Mr. Kouneski:

Thank you for the excellent briefing on Capitol Metro's proposed light rail project for the City of Austin. It is quite apparent that you and your staff have done a significant amount of work on this proposal. We appreciate you keeping us informed.

From your presentation it is clear that we share many of the same goals with respect to transporting people. As such we support your endeavors as you continue to develop the proposed light rail project.

We encourage you to continue your close working relationship with our Austin District Office and our Division of Public Transportation. Working together I am confident that we can solve many of the transportation problems in the Austin area.

Sincerely,

Arnold W. Oliver, P.E.
Executive Director

RESOLUTION

WHEREAS, the City Council has charged the Urban Transportation Commission with the responsibility for those issues related to the Capital Metropolitan Transportation Authority; and

WHEREAS, Austinplan and the corresponding Transportation Plan, includes specific assumptions related to a year 2020 transit system and the land use plans for the sectors include land use intensity levels to promote such a system; and

WHEREAS, it is in the best interests of the City and its residents that a strategic transit and transportation plan be adopted to provide the focus for future activities, which is prepared in conjunction with Capital Metro and other involved agencies and with the concurrence of the affected neighborhoods; and

WHEREAS, the Capital Metropolitan Transportation Authority, within their 1990 budget, has not included any work effort toward realizing the implementation of such a system; and

WHEREAS, the Urban Transportation Commission and the City Council have within the last year passed a resolution that recommended that such implementation be given a high priority and that the Authority should work toward an operating date of 1994; and

WHEREAS, a proposal has been brought to the Capital Metropolitan Transportation Authority for a Minimum Operable Segment which the Capital Metropolitan Transportation Authority should be acting upon in the near term; **NOW, THEREFORE**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the City Council requests that the Capital Metropolitan Transportation Authority Board of Directors, (hereinafter Capital Metro), give the highest priority to the development of a cost effective and financially affordable rapid transit system that will increase efficiency and upgrade the level of transit service to meet the mobility needs of the community and fulfill the purposes of Capital Metro as originally endorsed by area voters in creating the agency in 1985;

BE IT FURTHER RESOLVED, that the City Council requests Capital Metro to develop and deliver the timetable for development of a rapid transit system for Austin, including, but not limited to, identification of necessary work elements, time frame for implementation of work elements and projected cost of work elements and construction on or before June 1, 1990;

BE IT FURTHER RESOLVED, that City Council directs the City Manager to transmit this resolution to Capital Metro and to coordinate with the Capital Metro staff to implement the actions herein requested.

ADOPTED: April 5, 1990 ATTEST: James E. Aldridge

James E. Aldridge
City Clerk

CJH:scy
5811

Mr. CARR. Thank you very much. I appreciate the brevity of your remarks. They were clear and concise.

In your match, are you intending to use any of section 9?

Mr. KOUNESKI. No.

Mr. CARR. What is the work population of the area?

Mr. KOUNESKI. In that specific corridor, the employment is about 120,000 employees just in the downtown area. We have the University of Texas and the State office complex and the downtown area all concentrated in about a 30-block area, which amounts to about 120,000 jobs.

Mr. CARR. The university is in that number?

Mr. KOUNESKI. That is correct. That does not include the student population, however, which is about 50,000.

Mr. CARR. Have you considered transitways?

Mr. KOUNESKI. Yes, we have. We went through an exhaustive analysis and continue to look at bus alternatives. We looked at a busway very seriously and determined that a busway would be more costly to develop than a light rail system in that the travel time would not be improved in that particular corridor. We are looking at busways beyond that corridor. We have a proposal, as I mentioned, in the long- term to develop 100 miles of fixed guideway systems. We are now working with the State highway department and the FHwA to develop busways on two other freeways that exist in the area.

Mr. CARR. I don't quite understand how you arrive at the notion that transitways are more expensive.

Mr. KOUNESKI. In the analysis we conducted between 1986 and 1989, we looked at a busway in this particular corridor as an alternative. We went through systems planning and evaluated a busway and a light rail system. We would be happy to share that analysis with you. It was determined that the cost of the busway would be higher than this alternative.

Mr. CARR. We would love to see that. That is counter to the experience of this committee where transitways, even in large congested areas requiring additional lanes of traffic, are more cost-effective. The experiences in Houston and Dallas have been leading the way in some of those experiences that this committee has had.

Furthermore, the notion of a transitway also has imbedded in it the idea that if light rail is in the future, it can be added incrementally, that transitways would demonstrate—it would either alleviate the problem or it would demonstrate the need for future sustained fixed light rail, typically.

What is the future of IVHS in Austin?

Mr. KOUNESKI. Mr. Chairman, we are pursuing IVHS. I have my assistant, Celia Kupersmith, with me who is working directly with our highway folks and others involved in that particular pursuit.

Ms. KUPERSMITH. Mr. Chairman and members of the committee, we have been working with a combination of the Texas Department of Transportation, the Texas Transportation Institute, which is a university organization with Texas A&M, as well as two additional private firms, one that focuses on signal development and another that is a subsidiary of 3M Corporation to develop some opportunities and possibilities of IVHS.

We will be pursuing next year some test instance cases where we will be looking at the possibility of doing some high-tech signal preemption and bus-only lane operation, similar to what has been done in Washington State.

Mr. Carr. What is your ridership forecast for this system?

Mr. Kouneski. It would be 20,000 daily riders for the light rail system.

Mr. Carr. And how was that forecast arrived at?

Mr. Kouneski. Celia.

Ms. Kupersmith. The forecast was derived through a traditional travel demand modeling process that we undertook through our alternatives analysis process that was done within the parameters of the Federal Transit Administration's guidelines for such activity. We are also working to redo that particular modeling exercise in an effort to continue to refine those numbers as we move forward.

Mr. Carr. Was IVHS part of your rider forecast?

Ms. Kupersmith. No, it was not. We have not selected any specific technology for application in Austin at this time.

Mr. Carr. Mr. Wolf.

Mr. Wolf. Thank you, Mr. Chairman.

Welcome to the committee.

Will you be asking for Federal operating costs later on?

Mr. Kouneski. No, we will not. We have the ability to manage the system with our local funding. We have a dedicated sales tax which would enable us to operate the system without difficulty.

Mr. Wolf. And what would the total Federal impact cost be? You're asking for a 50/50 match, correct?

Mr. Kouneski. That's correct.

Mr. Wolf. What would be the total Federal share?

Mr. Kouneski. It would be $103 million.

Mr. Wolf. And you say that there has been a referendum? There is strong public support?

Mr. Kouneski. There has been a referendum to create Capital Metro. Tentatively we have planned a bond election in the fall of this year. Public opinion is very strong in favor of this project.

Mr. Wolf. What would the busway cost? You're talking about $206 million. What would be the cost of the busway?

Mr. Kouneski. I misspoke earlier and I would like to correct it now. I just checked with my assistant.

The cost of the busway we have estimated would be exactly the same as the light rail system. It was not more. It would be the same. The increase would be the travel time. That is where I miscommunicated. It would be about the same cost.

Mr. Wolf. And the operating cost would be about the same?

Mr. Kouneski. I am not sure about operating costs.

Ms. Kupersmith. The operating costs of the rail system actually comes out to be a little bit less because you're able to carry more people with one driver than you do on a bus, but it is not a significant difference between the two numbers.

Mr. Wolf. Thank you very much.

Thank you, Mr. Chairman.

Mr. Carr. Mr. Regula.

Mr. Regula. Thank you, Mr. Chairman.

I was interested that you have 120 alternative fuel vehicles. What are those?

Mr. KOUNESKI. Those vehicles are compressed natural gas vehicles. We have a very aggressive program to convert our fleet to compressed natural gas. We expect by 1998 the entire fleet will be converted and operational.

Mr. REGULA. So it is working out successfully for you to use the alternate fuel?

Mr. KOUNESKI. To this date, it has been extremely successful. We had some problems initially in making the conversions. The initial vehicles gave us some difficulty and the cost went up, but we now have that under control and costs are beginning to go down. We are very pleased with the way the alternative fuel program has worked.

Mr. REGULA. Did you put in your own fueling station?

Mr. KOUNESKI. We are in the process of doing that right now. We believe, we will have the largest fueling station on a public transit system in the country. That will be completed in May. That is underway right now as we speak.

Mr. REGULA. Thank you.

Thank you, Mr. Chairman.

Mr. CARR. I am intrigued by your statement that the trip times would be less for light rail. By how much?

Ms. KUPERSMITH. Let me back up and explain that we did an alternatives analysis that we began in 1986. At that time, we examined the busway alternative and a rail alternative. The busway alternative, because of some conditions that we have along the alignment in terms of the type of right-of-way that we're operating on, we were forced into a not-exact parallel of the proposed light rail alignment. So the alignment itself for the busway turns out to be longer. That is part of the reason that we have the additional trip time that was associated with that particular alternative.

As Mr. Kouneski has said, the final cost estimates came out to be about the same. We then stepped back and said that those were too high and we wanted to look at what we could do to refine those cost estimates and bring them down, which is what we have been able to do.

Mr. CARR. You don't have anything here that shows the alignment of the busway, do you?

Ms. KUPERSMITH. No, we don't. We have moved into a segment of our planning process where the focus is on examining the possibility of a light rail system versus an all-bus system that does not include a major capital investment busway type of project. The busway alternative has been eliminated from further examination based on what we discovered through our first round of analysis work.

But we would be glad to send you information on that alternative as it was studied and all the facts and figures that came out of that work. We could get that off to you the first thing Monday morning.

Mr. CARR. We would appreciate getting that information. I think, quite frankly, that before we embark on an expensive light rail system, this committee would have an interest in reviewing thoroughly the alternatives analyses that were done. We have generated some expertise nationally about transitways versus light rail. We are not the experts, but what you're presenting to us is counter to what we have nationally. We would want to examine very closely what key and unique features of Austin there are that drive you in the direction of light rail instead of transitways because we find that transitways are far more cost-effective for populations of the type you have here.

For example, your city isn't much larger than my own of Lansing and East Lansing. It has the same features of State government and Michigan State University.

A fellow from my own town came to me with a proposal that we have some kind of a monorail between the work centers of the campus and the downtown area. I had to tell him in my own community that it is just not cost-effective to do that. There are a lot of other things you can do to enhance mobility, but that kind of fixed guideway serving these types of population density, in the committee's experience, tend not to be as cost-effective as well-run transitways.

We will want to look at that very carefully.

Mr. KOUNESKI. Mr. Chairman, we're happy to share that with you.

I believe we had the same skepticism that you and the committee have about fixed guideway systems versus some other alternative that works. We have convinced ourselves over time, as we have studied this, that at this point this is the most cost-effective approach to take. We are happy to share all the information and data that we have to help you evaluate this project.

Mr. CARR. As I said, you are the experts in your local area. We have some expertise nationally that we have developed, so we would like to see it.

Mr. KOUNESKI. And we have been working closely with the Federal officials—the FTA officials—in walking through the process that they have established to evaluate the project as effectively as they can.

Mr. PICKLE. Mr. Chairman, it is my hope that you and the members of the committee might be able to visit Austin sometime during the year and tour the proposed route and review the plans that they have for this program. It goes from the just completed convention center that will eventually connect with our new airport, through the capital area, through the university area, and connect with a northwest passage that this committee helped us get the right-of-way for years ago that will eventually give us an east to west flow of our traffic.

We are poised now to branch out. I have been impressed with this committee in that you have been very careful about what you're going to propose and I know they are going to study it further. But they are going to the public to ask for their approval and underwrite the cost. We would be very proud to have any of you come to help us get the right program.

Mr. CARR. When is that election? In November?

Mr. KOUNESKI. Yes, sir.

Mr. CARR. And what is actually on the ballot in November?

Mr. KOUNESKI. It will be a bond election for $100 million to finance the local share of the system.

Mr. **Wolf**. Are the cars standardized so a different type of car would not be created?

Mr. **Kouneski**. That is right. It is standard technology.

Mr. **Wolf**. Where are the cars being manufactured?

Mr. **Kouneski**. We haven't reached that point, yet.

Mr. **Wolf**. What cars are operating now?

Mr. **Kouneski**. Again, we haven't reached the point where we would know which cars we would operate. But we would pursue standard technology so that we would not be creating anything new or pioneering any new technology.

Mr. **Wolf**. Thank you.

Mr. **Carr**. Thank you very much. We appreciate your information.

Mr. **Kouneski**. Thank you all.

Thursday, April 1, 1993.

I-15 UNIVERSITY AVENUE INTERCHANGE MODIFICATION PROJECT

US-89 TO US-189 CONNECTOR PROJECT (PROVO, UTAH)

WITNESS

HON. WILLIAM ORTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH

Mr. **Carr**. Our next witness is our good friend from Utah, Bill Orton.

Welcome to the committee.

Mr. **Orton**. Thank you, Mr. Chairman.

My friend from Texas, Mr. Pickle, indicated that he was from one of the most beautiful cities in the Nation. I am from probably the most beautiful, with the possible exception of Lansing. [Laughter.]

Mr. Chairman and members of the committee, I do appreciate your previous support. My request today is perhaps a much easier request with regard to two projects the committee has already been helping us with on the first phase of these projects. I am here to request additional funding and appropriations for the final phase of one project and the second phase of an additional project.

We are very proud in Utah for the very logical and planned ways in which we have developed our cities. As a result, we have avoided many of the transportation problems that some other cities in the east have had. However, in the principal cities in my district, the Provo/Orem area, there is one particular area of Provo which has grown at an unexpected rate. We have the blessing that many cities would like to have of having an area where employment is growing so rapidly that it is difficult to keep up with that.

One principal employer in the area is Novell. You probably use their network software on your computers in your office.

Mr. **Carr**. And WordPerfect.

Mr. **Orton**. Both of them are in my district with one at one end of town and the other at the other end of town. The end of town that WordPerfect is in doesn't have quite the congestion problem as the part of town where Novelle is located. Novelle currently has approximately 4,000 employees and they are planning on almost doubling that in the next 4 years.

We are currently in a non-attainment area designated by the EPA mostly because of the traffic routing. Because of this particular area where the industrial park is, we have the freeway going by on one side. On the other side of this industrial park area, we have a rather large rail corridor and switching area which has made transportation through that area virtually impossible. As a result, all the transportation is routed back up into the main part of town and then back south toward Novelle in this office park area.

Also, we are underway with the construction and expansion improvements on our airport. Again, this is the part of town which is growing the most rapidly.

The two projects for which I am requesting continued funding are the rebuilding of an interchange on the interstate freeway system, which has previously received a little over $4 million, and an east/west inter-connector between two generally populated areas of the city so that people don't have to go up through town and back down to Novelle. We will be able to connect down to that part of the city, so it changes traffic flow patterns.

The cost estimates on construction on the freeway interchange—about 75 percent of the appropriation will go directly to construction. On the east/west connector, approximately 90 percent of the appropriation will go directly to construction.

I am asking the committee to consider today combining these two projects. They go to the same area. They are a logical combination or connection. If we complete one without the other, we will not accomplish any significant improvement in traffic congestion and traffic flow. They really are two parts of an overall plan to resolve the problems that we have there, particularly the carbon monoxide emissions problems, as well as the traffic congestion.

There is a third phase of this. The interchange with which we are dealing is at the southern end of this newly developed area of the town. So you come around Provo to the southern end of the city, and then this interchange sits immediately at the office park location.

The east/west connector would take up from that interchange area and run east toward another main transportation corridor in the area, connecting the freeway with this other corridor. There is a phase 3 program that takes up at this interchange and runs west toward the airport, which is being newly renovated with lengthened runways and hardened runways. Right now, the access to our airport is through several subdivisions in the community.

So that phase has also received the initial planning appropriation from the committee, but that is phase 3 and down the road a couple of appropriations cycles before we would be ready to be asking for construction money on that phase. But the combination of this three-phase project will resolve significant problems at the southern end of our city.

If you have any questions, I would be happy to try to respond to them.

Mr. Carr. Yes, I do have a couple of questions.

I am looking at this map that says "Study Area".

It would appear to obliterate a golf course.

Mr. Orton. You raise an interesting point. Novelle is growing so rapidly. The city had put in a golf course and Novelle took up two or three of the holes to create more building space. But Novelle then purchased additional land adjacent to the golf course and replaced those holes. So that course remains intact.

Mr. Carr. You do have some beautiful golf out there.

In the master plan of Utah DOT, where is this project? Where is it on their priority list?

Mr. Orton. I don't know exact numbers, but it has been funded by DOT as well. We have gone through two phases of the east/west connector and one phase of the interchange already. The committee has funded its share and DOT has funded its share. So it is at the top of the list.

In fact, there was some concern that if we did not begin relieving this construction problem that Novelle may in fact move to California. They have operations in Southern California already. There was a serious problem and Novelle was expanding so rapidly. So they cooperated with the golf course and put this plan together, which is a very logical plan, relieving the transportation problems.

The Governor made a commitment that this was very top on the priority list. In fact, he pushed it to the top of the list the State has provided their share of the funding for the first stages and are ready to continue to provide their share of the funding for the remainder of the appropriation.

Mr. Carr. If this is such a high priority and it has such obvious common sense to it, what is it about this project that requires an additional boost? Is there some kind of an unexpected funding shortfall? Are there too many high cost projects at the top of the list and they can't get a critical mass of dollars together?

Why are admitting the need of the project and its value—which is apparently agreed to by the State of Utah—what is the funding problem in Utah that requires an additional request from this committee?

Mr. Orton. Utah is one of the most rapidly growing States in the Nation. And the population density is stretched along the Wasatch Front. Most of the population resides in about 100 to 120 miles along a fairly densely populated area on the Wasatch Front.

As you know, Salt Lake City has the most significant transportation and congestion problems. I believe they were here last week visiting with you about a light rail system. Most of the funding has been committed in these areas which have been congested much longer than this particular area. They are areas where the State has been attempting to resolve the problems for a fairly long period of time.

This was a rather unexpected problem which arose very rapidly mostly because of the extremely rapid growth and expansion of Novelle. So focusing on this particular project and eliminating projects that were already in the funding process in Salt Lake and other parts of the Wasatch Front would be difficult for the Department of Transportation.

As I said, this did arise as a fairly unexpected problem. Most of the time, we can plan out into the future many years ahead because of the way our systems have been designed over the decades. This one came up very unexpectedly. Novelle moved in there as a start-up company less than a decade ago and now has 4,000 employees and is expected to have almost 8,000 employees before this project is completed.

It was a rather unexpected emergency situation and that is why we approached the committee for additional assistance.

Mr. Carr. I am looking on my map and I am looking for US 189. I see US 89. Is that a typing error?

Mr. Orton. Well, US 89 is the State Street which——

Mr. Carr. I have it now.

Mr. Orton. That highway feeds in—that is the old highway before they built the freeway system. So that feeds all the existing communities on the eastern part of the city. It used to feed them down to Springville and other cities south of there. There has never really been a good corridor there, so what happens is that everyone who lives to the east, to get to this particular area, feeds back up State Street into downtown Provo and then down University Avenue to the Novelle area.

So our area of non-attainment is just north of where you see the railroad tracks on this study area at the top of the map. Just north of that, where all the traffic feeds into there, then goes south on University Avenue. We have some EPA stations right there and that is our area of non-attainment. So we are in desperate need of diverting some of that traffic.

Mr. Carr. Utah normally gets about $105 million in highway funds and there are $22 million in the supplemental. Have you talked to highway officials in Utah to see if any of the supplemental would be applied toward this.

Mr. Orton. I have, and with due respect, they have many projects waiting and hoping for that supplemental. In fact, one of them is a freeway system also in my district in the northern part. My district covers over 50,000 square miles. The main freeway running east/west coming from Wyoming down into Utah runs down through a part of my district. There is an area along there in the I–80 freeway system which is in such poor condition that the trucks are having a hard time even getting across the freeway. It needs to be completely resurfaced. In my opinion, that is probably the most immediate and critical need for those additional appropriations in fiscal year 1993.

We are hoping that that is one of those areas that Utah will in fact appropriate and that will take up most of that appropriation.

Mr. Carr. Is Park City in your district?

Mr. Orton. Yes, it is.

Mr. Carr. Mr. Wolf.

Mr. Wolf. I have no questions, Mr. Chairman.

Mr. Carr. We will see what we can do to help you.

Mr. Orton. I appreciate it very much. Thank you, Mr. Chairman.

Mr. Regula. Mr. Chairman.

Mr. Carr. I am sorry.

Mr. Regula.

Mr. REGULA. Will this affect the steel mill down there in any way?

Mr. ORTON. This is south of the steel mill area, so the area up around the steel mill is an area that had been in place when the freeway system was built, so there are adequate interchanges up around the steel mill. We don't have the congestion problem or the traffic problem that we do to the south.

The steel mill, however, does contribute in part to the carbon monoxide problem in the city, and that is part of the problem for our non-attainment. But most of that is north of the city because of the prevailing wind flow most of the time. When we do get a front coming in, it moves the carbon monoxide to the south which then puts us in an even greater non-attainment situation in this particular area.

So there is some effect from the steel mill, but on traffic patterns and air pollution in this particular area most of the problem is because of the routing of the traffic.

Mr. CARR. One further question.

Have you taken a position on the Salt Lake light rail? That is not in your district, is it?

Mr. ORTON. It isn't in my district. In fact, many of the people in my district in the latest election voted against the system. I believe they did so because of the age-old problem that it was imposing a tax on them throughout the county and they were not obtaining a benefit of the system because it flows from the southern part of the county into downtown. I have the northwest quarter of the county which does not really get the benefit or use of the light rail system.

So many of my people said that they would prefer not to increase their taxes to pay for a system which they don't obtain a benefit for. I think their objection was mostly to the system of payment—the taxation across the county. I think they felt that there needed to be a more direct method of taxing those people who would actually obtain the benefit for it.

I don't believe they were objecting to the concept or need of light rail, but the mechanism of payment.

My constituents were probably that group of the county. I know there was a significant part of the county who voted against that mechanism of taxation. I think the polls showed that they were not voting against light rail, but the taxation system. Mine were most of the people who voted against it.

But personally, as I look at the Salt Lake Valley and see the traffic patterns and see that the only north/south corridor that we have is the interstate freeway, which is currently so congested that during rush hour in either direction it is like Chicago or New York or any of the other major areas of problem. I believe the only logical solution in the long-run is a light rail system, if you look at the facts. I think we need to do it in a way that the people can agree to, but I think in the long-run it is probably the most logical mechanism.

They have in fact acquired, as you know, the old Union Pacific right-of-way, which then makes it very, very cost-effective as you look at that because they were able to get such a good deal on that right-of-way.

Mr. Carr. If the light rail were built, would you see it extending down to Provo?

Mr. Orton. I think that is a very logical extension, although probably not until well into the next century. In fact, it may be earlier than that if we see the kinds of growth that some of the scenarios are projecting for the Wasatch Front. We would certainly need that kind of mass transit corridor. It should also be considered to extend northward to Ogden. I think the logical mass transit/rapid transit corridor would be Ogden to Provo.

And as I indicated, that is where over 1 million of our population in this State live, within that 110-mile to 115-mile corridor.

Mr. Carr. What is the population of the Provo area?

Mr. Orton. The Provo/Orem area combined is between 370,000 to 425,000.

Mr. Carr. Thank you very much.

Mr. Orton. Thank you, Mr. Chairman.

[The prepared statement of the Hon. Orton follows:]

TESTIMONY BEFORE THE
SUBCOMMITTEE ON TRANSPORTATION APPROPRIATIONS
FISCAL YEAR 1994 APPROPRIATIONS HEARINGS
APRIL 1, 1993

Good morning, Mr. Chairman, and Members of the Subcommittee. I appreciate the opportunity to testify before you today regarding the I-15 University Avenue Interchange Modification Project and the US-189 Connector Project for the City of Provo, Utah.

First of all, I would like to thank the subcommittee for its genorous support of these projects over the last several years. These projects have the same purpose of improving traffic circulation for Interstate 15, which runs south from Salt Lake City to Provo. These improvements are needed since Novell, a major computer software employer in Utah, plans to extend their workforce by 3,200 employees in the next four years. Provo is the site of Novell's corporate headquarters and is located near the University Interchange at Interstate 15. In addition, there are over 800 other expanding businesses in this rapidly growing section of Provo that now employ over 6,000 workers. The current interchange is simply insufficient to handle the increase in expected traffic.

Just as important, the Environmental Protection Agency (EPA) has designated the City of Provo and Utah County as nonattainment for carbon monoxide. Due to the city's low altitude with respect to the adjacent mountains, Provo experiences frequent temperature inversions during the winter months. Provo has recently analyzed a number of air quality proposals that would improve the air quality, particularly in the central business district where there is severe traffic congestion. The improvement of the University Avenue Interchange at I-15 and the US-89 Connector Project would divert traffic from the central business district improving air quality in Provo since vehicles will operate more efficiently and with minimal interruption from the proposed improvements.

In addition, the Provo Municipal Airport is in the midst of expansion, which will contribute to increased traffic in the University Avenue area. Provo is also lengthening its runway by 1590 feet, from 7010 feet to 8600 feet. The runways are also being hardened to accommodate larger aircraft. In addition, an instrument landing system was put in place a few years ago.

The I-15 University Avenue Interchange Modification will cost a total of $25 million. The State is committed to providing a 20 percent match for the project. The Fiscal Year 1993 Transportation Appropriations Bill provided $4.24 million for phase 1 of this project. An additional $6.08 million is needed to complete Phase 1 of the Interchange Project. Approximately 75 percent of this amount will be spent on construction. This phase of construction provides new southbound exit and entrance ramp connections and a new northbound exit ramp between 1860 South and I-15. Phase 2, which will require funding in fiscal year 1995, will add the I-15 northbound entrance ramp from 1860 South and a new I-15 southbound flyover entrance ramp from University Avenue. Improvements to University Avenue will also take place including a southern extension of this road to 1860 South. Phase 3 includes the widening of I-15 from six to eight lanes (to the south) and the western extension of 1860 South in the direction of the Provo Municipal Airport. The 1860 South extension completes the east-west through movement operation.

The US-89 to US-189 Connector project will extend 1860 South from the southeastern end of Provo toward I-15 and the University Avenue Interchange. A total of $5.7 million in federal funding has been appropriated in fiscal years 1991 and 1992 for this project, which provided access from the southeastern end of the city to the University Avenue Interchange and the Provo Municipal Airport. Roughly $1.3 million is needed to complete this project.

Mr. Chairman, I would like to request that your Subcommittee combine these two projects into one project, for a total request of $7.35 million. The regional Federal Highway Administration (FHWA) office in Salt Lake City does not anticipate a problem from a federal perspective in combining these two projects. My concern in combining these projects was that the environmental process would be slowed, thereby delaying the construction project timetable. However, FHWA in Salt Lake City has indicated that combining these two projects would not be a problem for them. However, FHWA, in Salt Lake City has indicated that combining these two projects would not be a problem for them. It makes sense to combine these projects, Mr. Chairman, since they are achieving the same purpose of improving traffic circulation in the Provo-Orem area.

The University Avenue Interchange Modification Project and the US-89 to US-189 Connector Project achieve the same goal of providing access to I-15 and the Provo Municipal Airport. These improvements must be made to accommodate increased traffic flow. The State of Utah considers this project important enough to provide a 20 percent local match. I am hopeful that the Subcommittee will realize the importance of continuing funding for these projects in the fiscal year 1994 Transportation Appropriations Bill.

Thank you for the opportunity to testify today regarding these projects that are of critical importance to the City of Provo and the State of Utah.

I-15 INTERCHANGE & US 89-189 CONNECTOR PROJECT

TOTAL FUNDING REQUESTS:

I-15 UNIVERSITY AVENUE INTERCHANGE MODIFICATION:

Phase 1 Project Cost	$12,900,000
80% Federal Participation	$10,320,000
20% Local Participation	$2,580,000
Previous Appropriation	$4,240,000

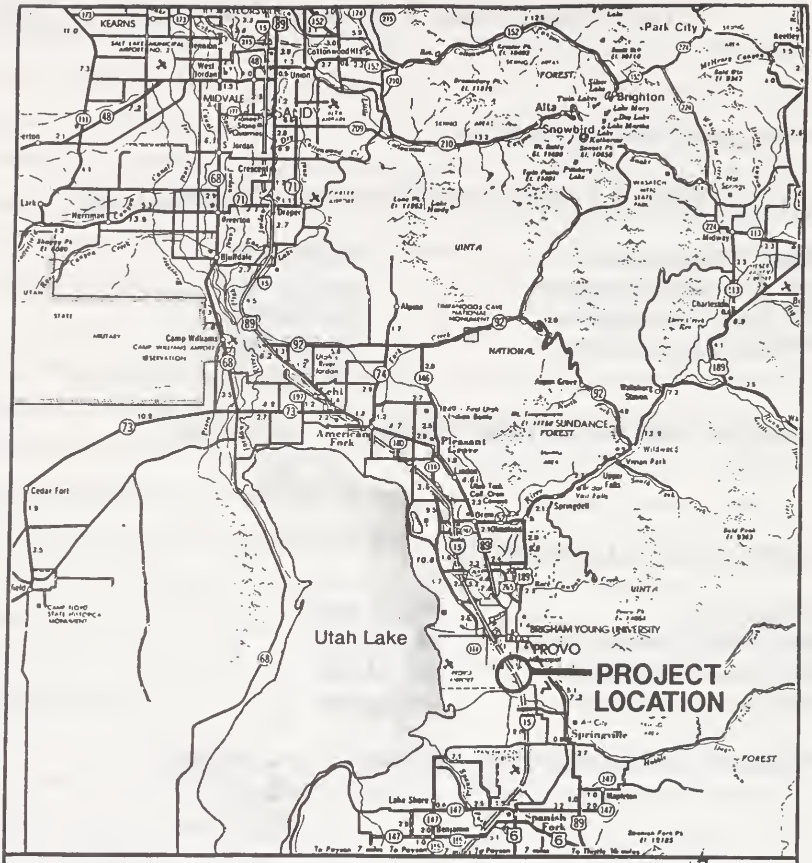
CURRENT APPROPRIATION NEEDED -- $6,080,000

US-89 TO US-189 CONNECTOR:

Project Cost	$8,721,000
80% Federal Participation	$6,976,800
20% Local Participation	$1,744,200
Previous Appropriation	$5,700,000

CURRENT APPROPRIATION NEEDED -- $1,276,800

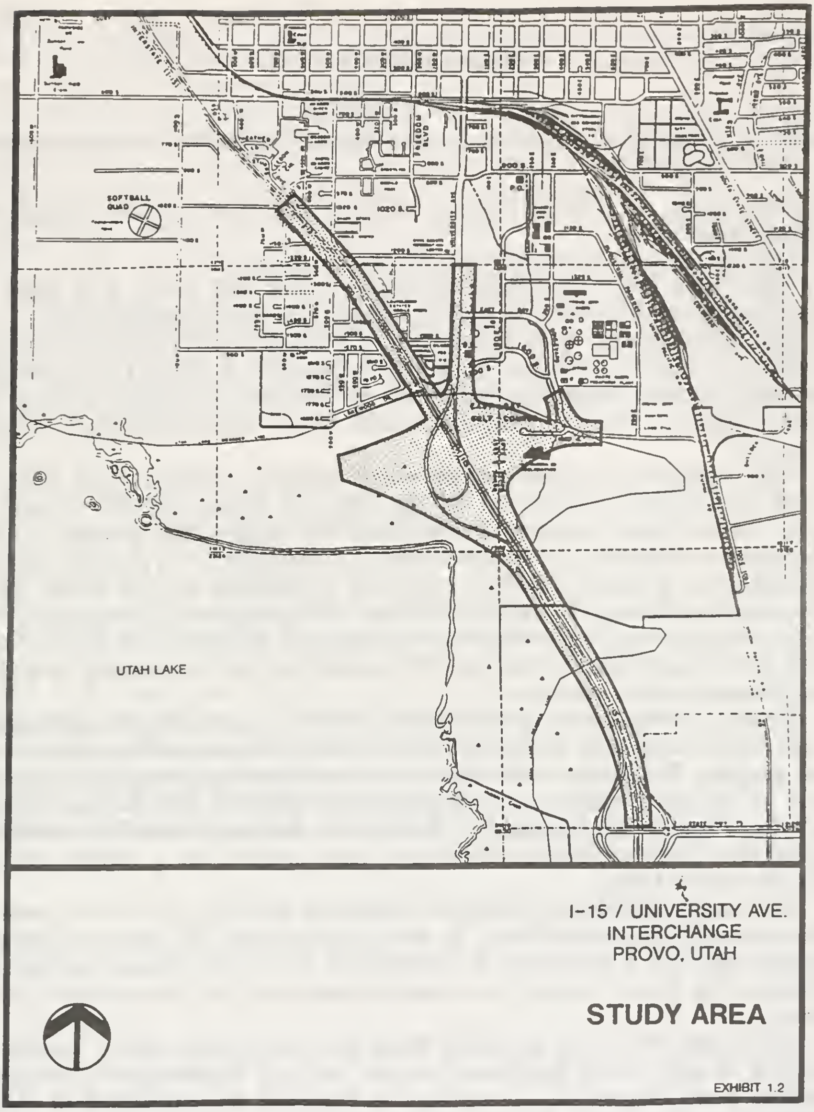
TOTAL CURRENT APPROPRIATION NEEDED -- $7,356,800



I-15 / UNIVERSITY AVE.
INTERCHANGE
PROVO, UTAH

LOCATION MAP

EXHIBIT 1.1



I-15 / UNIVERSITY AVE.
INTERCHANGE
PROVO, UTAH

STUDY AREA

EXHIBIT 1.2

THURSDAY, APRIL 1, 1993.

HIGH SPEED RAIL

WITNESS

HON. LOUISE M. SLAUGHTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. CARR. Our next witness will be the Hon. Louise Slaughter from New York.

Ms. SLAUGHTER. Thank you, Mr. Chairman.

Mr. CARR. We have your statement. We will make it a part of the record and invite you to proceed as you think appropriate.

Ms. SLAUGHTER. There are things I would really like to go over with you that I think are critically important. I think the condition of rail in the United States is one of the best examples of how we have neglected home. I want to talk about high-speed rail in particular.

The ideas and opportunities were created when ISTEA authorized $5 million a year out of the general fund, and $5 million a year out of the Highway Trust Fund for high-speed ground transportation technology demonstration programs. I urge full appropriation of general funding and full utilization of the trust fund contract authority through 1997 for this program. In addition, for full funding for demonstration projects, I also believe that there are three most important specific steps that are necessary to make high-speed rail a reality.

First is investment in the development of steel-wheel high-speed rail equipment and trackway. This must take precedence over that of maglev. Extensive steel-wheel revenue passenger service is possible in the near future and magnetic levitation is not. In fact, Chair of the President's Council of Economic Advisors testified recently that the Administration does not view maglev as a viable option for the near term.

We had a Northeast Midwest Coalition hearing up in our part of the country in September. It was pointed out by several experts there that for a very small investment we could almost reduce by double the time it takes us to move people in the Northwest Corridor.

An example of the need for that is 4 out of the last 5 weeks in trying to get out of Rochester to get back to Washington. We have either been fogged in, or ice on the runway, or a number of other things where many people would have much rather gotten on a high-speed train and come down to Washington.

Sitting on the runway at Washington National one night for an hour and a half, I mentioned to a man next me, "Wouldn't you love to be in the diner about now?" There is a great need to catch up with what the rest of the world is doing.

I like to make the point that one of the best examples we have of ignoring ourselves is that the speed record for rail traffic was set in 1893 with a steam engine between Batavia and Buffalo, New York. Now 100 years later over that same track, they could go 112 miles an hour and we are able to chug along between 69 and 79 miles an hour. I don't think anything else really demonstrates what we have allowed to happen to us because the allies we have been protecting with our defense dollars are moving around on high-speed rail and have been for a number of years.

I think it is way past time for us to begin to catch up. I am convinced by the number of experts we have talked to that they would have very little modification. We could begin very quickly to see high-speed rail corridors all over the United States.

I am not asking to forget about maglev or not to invest in the future, but I would like to see us do what we can now at the present just for catching up on the number of years we have neglected rail. I think it is going to be in the future because it is economically viable and environmentally sound. It is going to see a greater use in the future, and would now if we really had trains that were capable of moving people at a good enough speed. Between a number of cities, it would be much quicker to go by rail than by air.

This is the number one priority of the Northeast Midwest Coalition. We envision not only the northeast part but all the way over to Chicago, Detroit, Toronto, and Montreal in the future.

We again repeat that this is something that is doable now and those of us in the northern tier States in the United States for the last 45 years have sent more money to Washington than we got back for the defense buildup and for the other parts of our country that had heavy defense facilities as well as military facilities. We think it is time now that we have an opportunity to let the northeast begin to catch up from the neglect they have suffered, particularly as it pertains to infrastructure and rail.

I make a plea to you this morning for full funding for high-speed and would be glad to answer any questions you may have.

[The prepared statement of the Hon. Slaughter follows:]

TESTIMONY OF
THE HONORABLE LOUISE M. SLAUGHTER
BEFORE THE
SUBCOMMITTEE ON TRANSPORTATION
COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES
APRIL 1, 1993

Mr. Chairman, I come before the Subcommittee today to talk about high speed rail. As you know, significant opportunities for high speed rail development were created when ISTEA authorized $5 million per year out of the general fund and $5 million per year out of the Highway Trust Fund for a high speed ground transportation technology demonstration program. I urge full appropriation of general funding and full utilization of Trust Fund contract authority through 1997 for this program.

In addition to full funding for demonstration projects, I also believe that three very specific steps are necessary to make high speed rail a reality. They are as follows:

(1) Investment in the development of steel-wheel high speed rail equipment and trackway must take precedence over that for magnetic levitation systems. Extensive steel-wheel in-revenue passenger service is possible in the near future; magnetic levitation service is not. In fact, Laura Tyson, Chair of the President's Council of Economic Advisors, recently testified that the Administration does not view maglev as a viable option for the near term.

At a Northeast-Midwest Coalition high speed rail forum which I chaired last September, Frank Barry, President of the Empire State Passengers Association, pointed out that for the cost of a short magnetic levitation test track, we could build dedicated steel track capable of 125 miles per hour along the Western New York Conrail right-of-way. Stuart Brown, President of General Railway Signal in my district, also stated at that hearing that:

> The technologies for attractive, economical, high speed intercity rail exist [now]. We should not wait for a revolutionary leap. We can proceed today using technologies that are available, using existing and easily-developed rights-of-way to bring high speed rail to a quick realization, setting in motion the evolutionary process.

I agree with Mr. Brown's assertion that, through innovative technologies available right now in the United States, we can offer high speed intercity service within a relatively short time frame. That should be our focus.

(2) Non-electrified 125-miles-per-hour-plus service options must be explored to their fullest by both Amtrak and the Federal Railroad Administration. New York State currently has one such option, involving a lightweight turbine-powered locomotive, on the table. To date, however, Amtrak has been completely uninterested. Given the current budget situation of the federal government and most states, waiting for the availability of funding for the electrification of the entire country is a grave mistake. Accordingly, I urge the Subcommittee to join me in urging Amtrak and the FRA to take a good look at turbine power.

(3) Amtrak's spending on high speed rail must be spread evenly throughout the five FRA-designated high speed rail corridors, other close-to-high-speed-rail corridors, and the 110-miles-per-hour-service Empire Corridor, rather than exclusively targeted on the Northeast Corridor. In addition to the $600 million already spent on the electrification of the Northeast Corridor, which, as you know, is far from completed, Amtrak now wants $450 million for twenty-six new train sets for this one corridor. What about the rest of the country?

As a member of the Budget Committee, I call to your attention language included in the Committee's report on this year's Budget Resolution. The report stated the following:

> High speed rail can be moved forward by federal support for new initiatives such as Amtrak's X2000[.] The Committee supports similar demonstrations that will link high speed rail in the Northeast corridor with similar initiatives in the Empire corridor, linking the Northeast and the Midwest.

In addition to an increased Amtrak focus on high speed rail outside the Northeast Corridor, I believe that attention to new 125-miles-per-hour-plus proposals should take precedence in the competition for federal support over proposals for rail service upgrades of lesser speeds. New York State has a 140-miles-per-hour proposal on the table right now at the FRA, and it is my belief that our scarce federal dollars should be spent exploring speeds in this range. I remind those who support high speed rail in the U.S. that the French TGV travels 186 miles per hour every day. While grade crossing elimination programs that close arrival and departure times incrementally are certainly worthwhile, they do not constitute a true high speed rail program when the top speed of the trains on the improved corridors remains under 100 miles per hour.

In conclusion, it is imperative that we make these types of commitments in order to develop high speed rail in the near term. America must get serious about building a transportation system for the twenty-first century. If we delay our efforts any longer, if we delay the initial stages of developing a superior rail network in the United States, we will find ourselves falling farther and farther behind other nations who have demonstrated over the past decade a vision of the future greater than our own. In today's competitive international environment, we cannot afford to allow this to happen.

Thank you, Mr. Chairman.

Mr. Carr. We thank you for being here. Your interest in high-speed is known to this Member.

Ms. Slaughter. We have discussed this a time or two.

Mr. Carr. We have some differences. However, we do agree that if we're going to do anything in high-speed surface regimes, we ought to devote it to steel-on-steel rather than maglev. I think we both agree on that.

Ms. Slaughter. Absolutely.

Mr. Carr. Where we put it and how we deploy it we might have a difference of opinion on. This committee has in the past supported Amtrak's efforts at research and development for higher speed non-electrified power units. We have had a series of briefings last month. I think the committee is in all likelihood going to help Amtrak pursue its research.

As the gentlelady knows, one of the test uses of that is in the Empire Corridor, which was not one of the five high-speed corridors designated by the previous Administration.

Ms. Slaughter. I'm sure that was an oversight.

Mr. Carr. Your Lieutenant Governor was here and we had a very nice chat about that. He gave testimony.

I think it quite frankly bears some examination as to how those corridors were designated because it would seem to me that at least in the minds of the experts at Amtrak the Empire Corridor was a corridor that was meritorious. It was submitted and it was not approved.

I think that throws into doubt how all of the other corridors might have been designated to begin with. So we do have some basis for agreement.

As you know, our priority right now is the complete electrification of the Northeast Corridor. That is something that the committee has agreed to and has committed to. We are committed to working with Amtrak. I think you know as well that there is probably no other person in America who has the breadth and depth of expertise on rail as Graham Claytor. And Graham Claytor has counselled this committee to proceed cautiously and incrementally on high-speed rail.

I think that is sound advice and I think the committee will be supporting that approach. It is going to be very hard in the context of the presidential campaign where a lot of discussion was had about this that really didn't relate to technical details that have certain monetary implications that make some good campaign stump speeches but they don't quite fit the budget process.

Ms. Slaughter. Mr. Chairman, as I understand it, the high-speed rail from New York City to Boston is going to save the Federal Government the cost of an entire new airport in Boston. I think you have to look at these trade-offs.

But if we are going to have a complete transportation system in this country, high-speed rail has to be part of it. We are way behind. It is not that we're trying something new. Europe and Japan have been doing it for years and successfully. We're not even asking to come close to what they have from Paris to Lyon, 300 miles an hour. I think people in the northeast would be overwhelmed with joy at 135 miles an hour. But even that is just a very little bit faster than we could go in 1893.

Mr. CARR. We might differ here, too. This committee, having looked at the European and looked at the Japanese systems, is not as impressed as the gentlelady is. Our rail systems in this country were built for a different experience and in many ways—particularly in freight areas—are far superior to what the Europeans have put together. The notion that we have an inferior rail system in this country ought to be rejected.

Ms. SLAUGHTER. With freight, it may be fine. But as long as we continue to sidetrack passengers for freight—which we do—that doesn't make a bit of sense to me. We are still doing what we did 100 years ago.

Mr. CARR. The comparisons begin to also fall apart when you look at the economic structure of the European countries and what they do to force people to trains because of their political economic construct. They are not like we are. They keep airline fares artificially high. Europeans live in density patterns that are pretty much not common in most of the United States. Europeans tend not to rely on motor vehicles the way that people in the United States do.

Motor vehicle travel and air travel are a much greater component of what we do here, and we do it very well.

Ms. SLAUGHTER. Absolutely. But I think the question is whether we want to continue paving and building more and more lanes and causing more and more pollution, or whether we want to have an alternate way to go for people who don't want to drive those automobiles.

And let me remind you again that those of us who live in Upstate New York that sometimes those decisions are made for us by nature.

Mr. CARR. You are talking to a fellow from Michigan and we have some climate problems ourselves which we have to accommodate occasionally. But I remind the gentlelady that trains are not invulnerable to weather themselves. They have their own particular set of problems. I can recall—just to anecdotally go against your dining car comment—my wife was from Philadelphia, so I am very well acquainted with rail and I used it and enjoyed the rail experience on the Metroliner.

But there were a couple of times when I was sitting at Union Station wishing that I had bought an airplane ticket because there was some kind of a wreck along the rail system between Washington and Philadelphia or New York that completely obliterated any train service for three-fourths of a day. Those things happen.

Ms. SLAUGHTER. I have had that happen in cars, too. I remember one day I couldn't get to National Airport because there had been an accident on the Parkway that tied up Washington for an entire day. Nothing is perfect.

Mr. CARR. My point is that the anecdotal evidence of difficulties is not very helpful. We are really trying to analyze the situation. We're going to try to analyze it from the standpoint of what it does for our economy, what it does to improve productivity and output. We are not unfriendly to rail. We support it, but we believe that we ought to proceed cautiously with the taxpayers' money.

The gentleman from Pennsylvania?

Mr. Foglietta. I don't want to take sides in this controversy. However, being from the northeastern United States and being an advocate of the rail systems and the high- speed rail systems, I want to congratulate the lady and thank the lady for the advocacy she has been with for a long time with rails.

I believe, as you do, that especially in parts of our Nation like the northeast who depend on transportation needs from the smaller cities and towns to the larger metropolitan areas for their very livelihood—I think it is extremely important that we do have rail systems that are comfortable, dependable, and speedy.

I thank you for your advocacy here today.

Ms. Slaughter. Thank you, Mr. Foglietta. I appreciate that.

When you look at what is happening now with the airlines, I know what is going to be happening to Rochester. We are going to be completely confined to service in those little 19- seat planes with no bathrooms and no heat. I think that is coming at us very soon. There will be no greater incentive for people to ride the train.

Thank you very much for your time. I really appreciate it.

Mr. Carr. Thank you for being here.

Thursday, April 1, 1993.

WHITEHALL FERRY

WITNESS

HON. SUSAN MOLINARI, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. Carr. Our next witness is another good friend from New York, Congresswoman Susan Molinari.

Welcome.

Ms. Molinari. Thank you, Mr. Chairman.

As a member of the Public Works and Transportation Committee, I want to tell you that I respect the work your committee does and I am grateful for the assistance you have provided me in the past.

Specifically, on behalf of my constituents, I want to thank you for your support of the one-way toll provision for the Verrazano-Narrows Bridge that you put in the fiscal year 1993 Transportation Appropriations Act.

Today I would like to talk to you for just a minute about ferries. They are not the most popular mode of transportation that this committee funds, but they are the most important mode of transportation for my constituents and it doesn't affect a golf course in the district. [Laughter.]

In addition to the ferry boat and the ferry terminal program, I want to bring two special programs in my district to your attention: the Whitehall ferry terminal and the new high-speed ferry service to midtown Manhattan.

The Staten Island ferry is the Nation's first publicly owned mass transit system. Every day, the ferry transports 60,000 commuters, over 22 million people a year, between Staten Island and downtown Manhattan. It is the country's most recognizable and utilized ferry service. It is the ferry service that was predominant during the movie Working Girl, which I am not sure either of you saw.

On September 8, 1991, the Whitehall ferry terminal on the Manhattan side of the route—as you can see here—suffered a devastating fire. The fire destroyed the total facility and reconstruction is required. New York City has spent over $15 million in emergency and interim work at the terminal site. In order to provide service following the fire, the city had to use a nearby Coast Guard terminal and had to forego $17,000 a day in fares.

The New York City Department of Transportation and Economic Development Corporation worked quickly to get the project to the design stage and provide consistent service to the commuters.

I have attached four pages of material regarding this project. You will find tables of the estimated expenditures, a project schedule, a map that outlines the design plan, and a sketch of the proposed terminal facades.

As you can see from this material, the majority of the project needs funding in fiscal year 1995, with only $11 million of outlays expected prior to that period. I ask that you could possibly provide at least 80 percent of the $11 million to the city in fiscal year 1994 appropriations.

The Public Works and Transportation Committee saw fit to authorize $96 million for the ferry boat and ferry terminal discretionary program in ISTEA. Last year, $12 million was appropriated for this program. I urge the committee to approve the full $18 million authorization for fiscal year 1994.

I want to just point out that despite the priority language in last year's Transportation Appropriations Act, which designated the Staten Island Ferry Terminal as a priority project, we didn't receive a portion of the $12 million that this committee did in fact appropriate.

Also in the ISTEA legislation there is an authorization for the funding of a new high-speed ferry service from Staten Island to midtown Manhattan. The State and the city are moving ahead with this project and the funding will be needed in fiscal year 1994. The project is more important than ever because of the way New York City does things. We have a 12- to 15-year reconstruction project on the Gowanus Expressway, which is the major roadway between Staten Island, Brooklyn, New Jersey, into Manhattan.

Mr. Chairman, 15 years of closed lanes and partial closings means that commuters in my district and from New Jersey will have to depend upon another means of mass transit. The ferry system can offer us this. I ask that the committee provide $11 million for this project in fiscal year 1994.

Staten Island is a place where ferries work. Ferries are an accepted mode of transportation that take advantage of nature's roadways. Ferries are not far-fetched demonstration projects in my district. They are dependable, effective links of transportation. Because New York City is the only major city left in the United States that is a non-attainment area, mass transit that actually takes people out of their cars is essential.

On a general point, I ask you to fully fund ISTEA in fiscal year 1994, not only the highway section but the transit section as well. The Public Works and Transportation Committee worked closely with the States and the cities to develop the funding formulas in ISTEA and it is proper and appropriate that we help them to fully address their needs.

And last but not least, if any members of the committee or staff are in New York City, I urge you to take a ride on the Staten Island ferry. Where most commuters take their time napping or reading the papers, the 20-minute trip across New York Harbor does provide great sites of the Statue of Liberty, Ellis Island, and the Manhattan skyline. I would be happy to arrange a tour for any one of you of the White Hall ferry terminal and give you a briefing on the project anytime you find yourself in New York City.

Once again, I thank you for the opportunity to speak to you about these important projects in my district in New York.

Mr. CARR. Thank you very much, We appreciate your being here and the enthusiasm for which you advocate your constituents' concerns.

Ms. MOLINARI. Thank you.

Mr. CARR. Being a member of the Public Works Committee, could you tell us a little bit about the authorization for the ferry boat and terminal discretionary program?

Frankly, this member of the committee has been somewhat discouraged at the pattern of how they have spent the money. Of course, they didn't follow our instructions last year, something we will have to speak to them about. It seems to me that that program was perhaps put into the bill with a certain agenda that is being followed, and that agenda did not include the Staten Island ferry. Frankly, we have some ferry problems up in Michigan where most of our State is water. We have a lot of islands where there are inhabitants—although obviously not as densely populated as New York City—but we have been attempting to apply for some ferry money through this program and have been similarly unsuccessful.

Can you shed any light on this?

Ms. MOLINARI. Mr. Chairman, I would be happy to provide you with an update as to what has happened since the project was authorized, but our experiences are very similar. When the authorization language was put in the bill, we were very hopeful, recognizing that there is a limited group of individuals in the United States that currently rely on ferry service. We were under the impression that there might be a more fair distribution of the funds throughout the United States rather than what has taken place.

Mr. CARR. Can you shed any light on the discussion in the committee at the time concerning this program? What areas of the country were pushing for this.

Ms. MOLINARI. Congressman Foley was largely responsible for the authorization language in there. It was our understanding that the majority of the intent was to go straight to his State, although I was not on the authorizing committee.

Mr. CARR. I don't know the history here. I have heard some stories that include North Carolina, frankly. But I don't know the truth of them. I have no idea.

Ms. MOLINARI. We would be happy to go through that for you, based on our abilities to get back into the records, to see if we can determine that. I know when that first came up—and it did come up late in the discussion of ISTEA—it was under the understanding that Washington would be getting a majority of the money. That being said, we still thought that the rest of the States might have an opportunity to apply for some of it, especially when you do have areas where this is not used as—there is a tendency to look at ferries as a cruise ship and something that one does for purely tourist attractions. In both your case and my case, that clearly does not fit the mold.

But as we continue to examine things like light rail and alternatives to transportation, we are going to start to see that more and more States are going to be interested in ferry service because it is clean, it is reliable, and it uses a transportation network that is not congested.

Mr. Carr. One final thing—and this is more a comment than a question because I can't resist having a member of the Public Works Committee here discussing full funding of ISTEA—and I know the gentlelady is fully aware of what I am about to say.

The authorization levels set by our good friends in Public Works and Transportation for a 6-year period of time inevitably relied on forecasting of revenues and a few other things. I would just tell the gentlelady that we are very frustrated. We would love to fully fund the authorization levels, but we also have to assure the construction industry of America a steady level of commitment. As we look at the revenues, we see ourselves in a negative situation in 1996, that phenomenon being part of the reason why the Administration decided that in 1995, over a year from now, they will return the 2.5 cents to the trust fund.

That will partially alleviate the problem, but then if you add in the effects of a BTU tax plus the additional effect of exempting—as they propose to do—alternative fuels from the BTU tax, which are currently not now paying their share, we have serious revenue problems coming into the trust fund. It isn't as though we don't want to appropriate to authorized levels, it is that we have to appropriate to expected revenues.

So we would love to accommodate our friends on the authorization committee—another of which has just entered the room—but we have to be very seriously concerned about the revenues.

Ms. Molinari. Mr. Chairman, we certainly understand that, and I knew you were going to say that. [Laughter.]

Mr. Carr. Mr. Wolf.

Mr. Wolf. Thank you, Mr. Chairman.

I welcome you, Congresswoman Molinari. You make a very good point. I think your statement is right on target. I have taken the Staten Island ferry. Without the Staten Island ferry, you couldn't operate.

Ms. Molinari. I can't imagine what our alternative would be.

Mr. Wolf. This is not a demonstration project. This thing is so critical. I think you make a very good point and also concerning the Clean Air Act with regard to New York City, and the absolute congestion you have.

If there is anything I can do to help you, I would be glad to do that.

Ms. Molinari. If you travel from Staten Island or Brooklyn to downtown Manhattan, it is approximately 7 or 8 miles and it takes a good hour or hour and a half by car in the morning. That obviously involves the buses also. So we are desperate to seek out and secure alternative means of transportation, as you stated, that can be environmentally safe. The Staten Island ferry does that. Unfortunately, the fire at the ferry terminal really set us back 20 or 30 years in terms of our ability to handle the increasing traffic.

Mr. WOLF. Is Staten Island growing, too? Are more homes being built out?

Ms. MOLINARI. Gratefully, yes. We are at approximately 400,000 in our population right now.

Mr. WOLF. Staten Island has wonderful local leadership, too.

Ms. MOLINARI. My father thanks you for that, Congressman. I will tell him you said that.

Mr. CARR. The gentleman from Pennsylvania?

Mr. FOGLIETTA. I just want to thank the gentlelady for her enthusiasm for the ferry systems throughout the country. They are probably the premier system for transportation. We in Philadelphia had a ferry system connecting the city of Philadelphia with the city of Camden, New Jersey for many years. They stopped it about 25 or 30 years ago and just 2 years ago went back to it because it was so good. It serves as a recreational facility as well as a vital transportation link in getting people back and forth between the two States and the two cities.

Ms. MOLINARI. Probably one of the second oldest ferry systems was from Staten Island to Brooklyn. They are starting to look now at redesigning that again because it seems that we have run out of our alternatives relative to what cars and subways can do for us.

Mr. FOGLIETTA. Anything to get them off those highways.

Ms. MOLINARI. Absolutely. And this is something that people don't really mind.

Mr. FOGLIETTA. Thank you so very much.

Ms. MOLINARI. Thank you very much.

Mr. CARR. The gentleman from Texas?

Mr. DELAY. Thank you, Mr. Chairman. I am sorry I missed your statement. I'm sure it was excellent. And I know it was full of fiscal responsibility.

Ms. MOLINARI. Thank you, Congressman. I will be prepared to nag you in private about this. [Laughter.]

Mr. DELAY. I am looking forward to working with you and helping you with this.

Ms. MOLINARI. Thank you very much.

Mr. CARR. Thank you very much for being here.

Ms. MOLINARI. Thank you very much, Mr. Chairman.

[The prepared statement of the Hon. Molinari follows:]

TESTIMONY OF CONGRESSWOMAN SUSAN MOLINARI BEFORE THE SUBCOMMITTEE ON TRANSPORTATION APPROPRIATIONS

THURSDAY, APRIL 1, 1993

Mr. Chairman, Members of the Committee, thank you for this opportunity to testify before you today. As a member of the Public Works and Transportation Committee, I respect the work your committee does, and I am grateful for the assistance you have provided in the past. Specifically, on behalf of my constituents, I want to thank you for your support of the one-way toll provision for the Verrazano-Narrows Bridge in the Fiscal Year 1993 Transportation Appropriations Act.

Today, I would like to talk to you about ferries. Though not the most popular mode of transportation your committee funds, it is the most important mode of transportation for my constituents. In addition to the Ferry Boat and Ferry Terminal Program, I would also like to bring two projects in my district to your attention: the Whitehall Ferry Terminal and a new high-speed ferry service to Midtown Manhattan.

The Staten Island Ferry is the nation's first publicly owned mass transit system. Every day, the ferry transports 60,000 commuters, over 22 million people a year, between Staten Island and downtown Manhattan. The Staten Island Ferry is the country's most recognizable and utilized ferry service.

On September 8, 1991, the Whitehall Ferry Terminal on the Manhattan side of the route suffered a devastating fire. The fire destroyed the facility and now total reconstruction is required. New York City has already spent over $15 million on emergency and interim work at the terminal site. In order to provide service following the fire, the city used a Coast Guard terminal and had to forgo $17,000 a day in fares for three weeks. The New York City Department of Transportation and the New York City Economic Development Corporation have worked quickly to get this project to the design stage and to provide consistent service to commuters.

I have attached four pages of material regarding this project. At the back of my testimony, you will find: a table of estimated expenditures, a project schedule, a map that outlines the design plan, and a sketch of the proposed terminal's facades. As you can see from this material, the majority of this project needs funding in FY'95 with only $11 million of outlays expected prior to that period. I ask that you provide at least 80% of the $11 million to the city in the Fiscal Year 1994 Appropriations Act.

The Public Works and Transportation Committee saw fit to authorize $96 million for the Ferry Boat and Ferry Terminal Discretionary Program in the ISTEA. Last year, $12 million was appropriated for this program. I urge the committee to approve the full $18 million authorization for FY'94. I would like to point out that despite priority language in last year's Transportation Appropriations Act, New York did not receive a portion of the $12 million this committee appropriated.

Also in the ISTEA legislation, there is an authorization for the funding of a new high-speed ferry service from Staten Island to Midtown Manhattan. The state and city are moving ahead on this project and funding will be needed in FY'94. This project is more important than ever because a 12 to 15 year reconstruction of the Gowanus Expressway is just getting underway. This roadway is the main thoroughfare from Staten Island to Manhattan. Fifteen years of closed lanes and partial closings of this corridor that commuters in my district depend on will necessitate another means of mass transit to the Midtown business district. I ask that the committee provide $11 million for this project in FY'94.

Staten Island is a place where ferries work. Ferries are an accepted mode of transportation that take advantage of "nature's roadways." Ferries are not a far fetched demonstration project in my district, they are a dependable, effective, and needed transportation link. Because New York City is the only city that is not meeting Clean Air Act standards, mass transit that actually takes people out of their cars is essential.

On a more general point, but a point vital to New York City, I ask you to fully fund ISTEA in FY'94. Not only the highway section, but the transit section as well. The Public Works and Transportation Committee worked closely with states and cities to develop the funding formulas in the ISTEA and it is proper that we work to help them fully address their needs.

If any Members or staff of the committee are in New York City, I urge you to take the time to take a ride on the Staten Island Ferry. While most commuters spend their time napping or reading the paper, the 20 minute trip across New York Harbor provides great views of the Statue of Liberty, Ellis Island, and the Manhattan skyline. I would be happy to arrange a tour of the Whitehall Terminal and a briefing on the project for any and all visitors.

Once again, I want to thank the Members of this committee for this opportunity, and I ask that you give my requests careful consideration.

ESTIMATED EXPENDITURES
WHITEHALL FERRY TERMINAL PROJECT
FISCAL YEARS 1993 - 1995

CONTRACT	ACTIVITY	AMOUNT	FY
TERMINAL AND PLAZA	DESIGN	$11M*	93
TERMINAL AND PLAZA	CONSTRUCTION	$72M	95
TERMINAL AND PLAZA	CONSTRUCTION MANAGEMENT/ CONSTRUCTION SUPERVISION	$10M	95

*In negotiation w/consultant

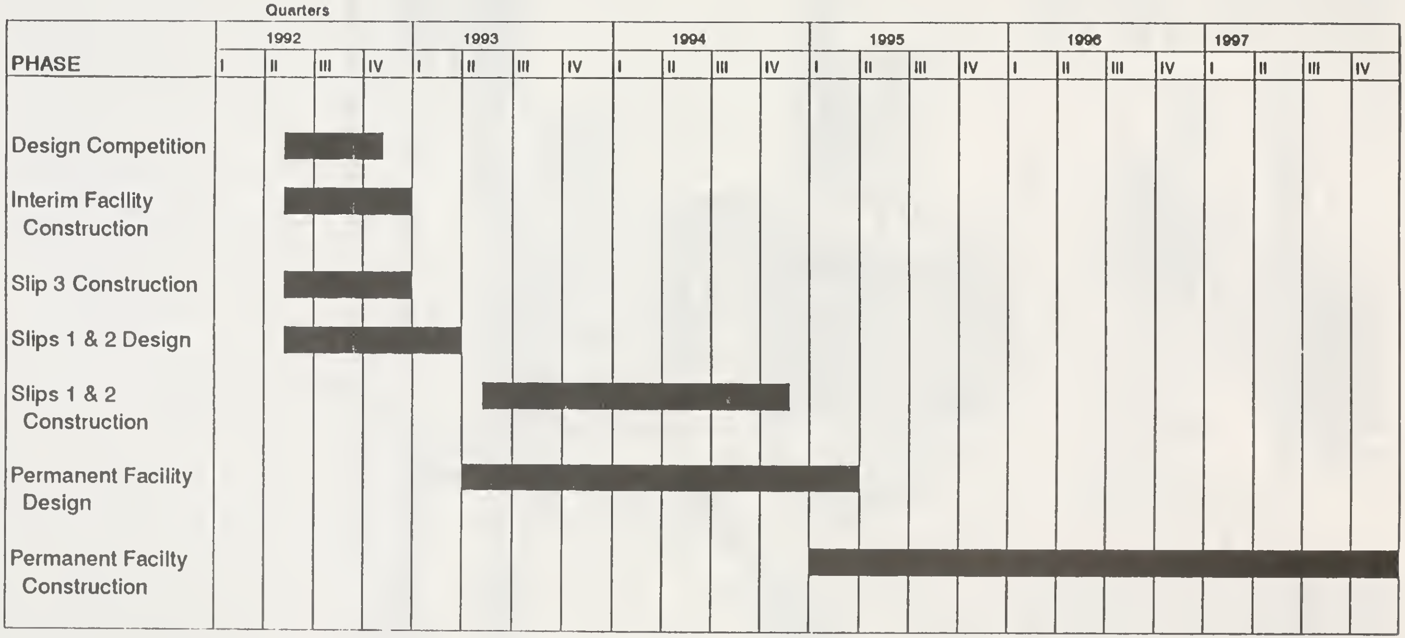
NARRATIVE

The Whitehall Terminal is the Manhattan terminus of Staten Island Ferry service, which serves over 60,000 passengers daily. After a fire in September, 1991 destroyed most of the existing building, dating from 1908 and 1954, the city moved quickly to effect emergency repairs, provide temporary facilities for ferry users and begin planning for a new terminal designed for the current and future intermodal transportation needs of New York's commuters and visitors. To date, New York City has spent over $15 Million on emergency and interim work at the terminal site.

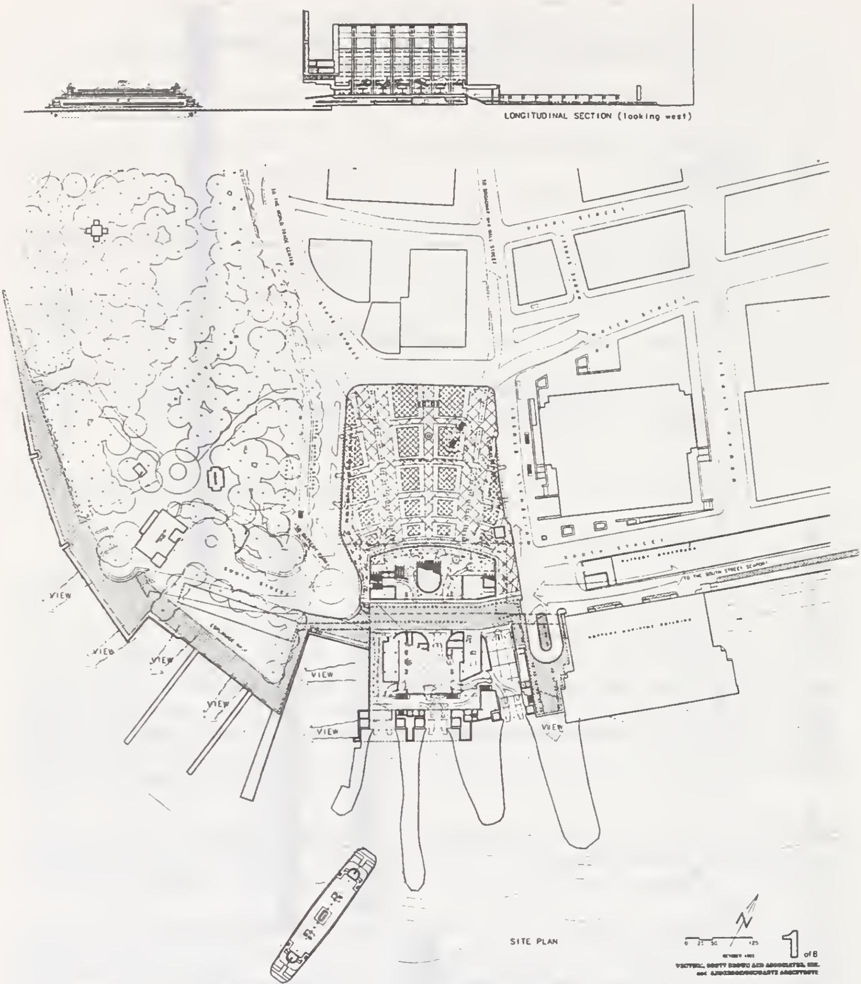
A widely publicized design competition sponsored by the New York City Economic Development Corporation resulted in the selection of a scheme by the architectural team of Venturi, Scott Brown and Associates and Anderson/Schwartz Architects.

The project schedule (attached w/area plan) estimates a two-year design period, beginning this spring, for the Terminal Building and adjacent Peter Minuit Plaza, followed by a four-phase, three year period of construction. The phasing will ensure that two ferry slips and an adeequate waiting area will be operational at all times. The estimated construction duration for the Slips component, which will also begin this spring, is 18 months.

Whitehall Ferry Terminal Project Schedule



March 24, 1993


LONGITUDINAL SECTION (looking west)
VIEW
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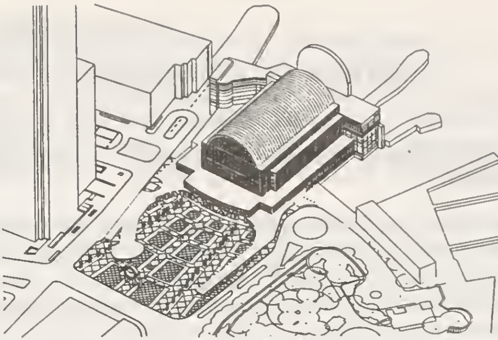
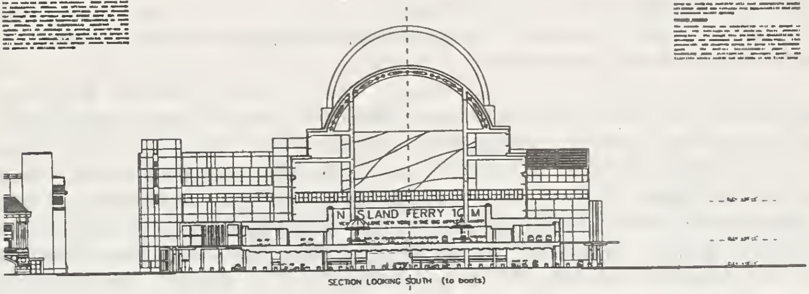
VIEW
TO THE SOUTH STREET SEAPORT
SITE PLAN
0
25
50
125
1 of 8
VENTURI, SCOTT BROWN AND ASSOCIATES, INC.
and ANDERSON/SCHWARTZ ARCHITECTS

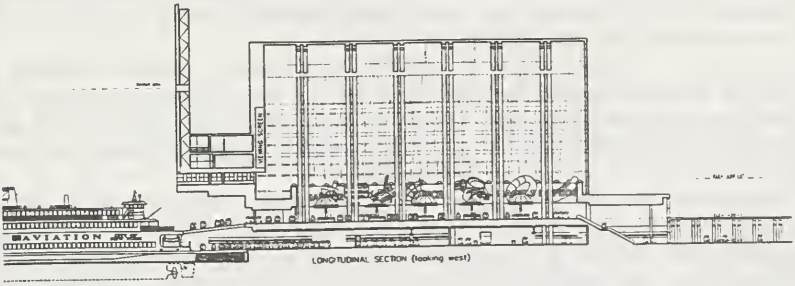
WHITEHALL FERRY TERMINAL COMPETITION • NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION



AERIAL VIEW LOOKING SOUTHEAST



SECTION LOOKING SOUTH (to boats)



LONGITUDINAL SECTION (looking west)

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6 of 6

VENTURI, SCOTT BROWN AND ASSOCIATES, INC.
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WHITEHALL FERRY TERMINAL COMPETITION • NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION

THURSDAY, APRIL 1, 1993.

MEMBER OF CONGRESS

WITNESS

HON. JAMES L. OBERSTAR, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. CARR. Our next witness is a good friend and colleague from the State of Minnesota, esteemed chairman of the Aviation Subcommittee on Public Works and Transportation.

Mr. OBERSTAR. Congratulations to you on your elevation to this high position of responsibility.

Mr. CARR. Knock it off. [Laughter.]

Mr. OBERSTAR. I remind the gentleman that we came to Congress in the same class. [Laughter.]

I am here to address three issues: the National Driver Register; Minnesota Technical College Air Traffic Control Training Center, and an aging aircraft training facility for the State of Oklahoma.

The National Driver Register is an issue I have come to this subcommittee again and again over the last 15 years to plead for funding and the committee has responded. The funding request for the National Driver Register for next year has not been resolved yet, but I understand it will be in the range of $3.5 million to $3.6 million, a modest investment of funds for a very effective program. The NDR has grown, with this committee's support, under previous chairman, Bill Lehman, to now be extended to 48 States that participate vigorously and actively.

Last year, it processed 30 million requests for identification of multiple driver license holders and made 10 million interactive inquiries relating information from one State to another and 1 million positive identifications of people who present a potential problem.

Under the previous mail-in system for the NDR, where States mailed their driver records to each other, most records of licenses suspended or revoked because of drunk driving in the first State arrived after the applicant had gotten his replacement license from the second State. The updated computerized system we now have is working effectively and States are now moving to the problem driver pointer system, which is a 6-second response, while the applicant for a driver's license is standing in line waiting. The information is fired into the NDR and comes back with an indication that there may be a problem, with this driver's record in his home State, and the potential license-issuing State can then proceed further to ask additional information.

The FAA is now participating in the National Driver Register. And last year, NDR processed over 410,000 requests from FAA, another 10,000 from the Federal Railroad Administration, and 45,000 requests from other Federal agencies, and in the process picking up people who had problem driver records, DWI or drug-related problems. The result is that our highways, our airways, and our railroad systems are safer to the extent that we have been able to identify people who have problems and keep them from being in our transportation system.

I urge the committee to continue its vigilance in supporting this very important safety initiative.

I would like to say also that while it was my legislation that updated the NDR, it was our former colleague, John Rhodes, who initiated it in 1960. He and I consulted many times and continue to talk. I am very proud of the progress that has been made on this project.

On the Minnesota Air Traffic Control Training Center, I speak for my colleague from Minnesota, Martin Sabo, in whose district this project is actually operating. It is not a Sabo project and it is not a Minnesota project, it is an FAA initiative started under then Administrator Alan McArtor, and is a partnership with the States to enlist support of education training centers and vocational training centers in training air traffic control technicians, specialists, and to expedite the training of people that we need in the air traffic control system.

The Minnesota Technical College system has processed 148 graduates, 78 percent of whom have been placed at air traffic control facilities by the FAA. They have a very, very high success rate. We need air traffic controllers. The system has to continue the replacement rate, as well as adding additional air traffic controllers to key overburdened facilities. This program is working very, very well. Students are coming there from all over the United States for training.

I have visited the center and I must say that the enthusiasm at this facility is extraordinary. There is a high degree of excitement by the graduates in the quality of training they are receiving and the prospects for putting that training to work.

The final request I would make is that you support the request from our colleague, Glenn English, for funding of an aging aircraft training center at the Technical College at Oklahoma City. I visited that center and they have the most advanced program so far in the country for training maintenance specialists in non-destructive testing and evaluation of aging aircraft in the whole country.

The number of aging aircraft is continuing to grow. For want of burdening the committee with a more technical term, under the Aging Aircraft Maintenance Act—now law—when an aircraft reaches its 15th year of age, or a certain number of cycles in takeoffs and landings, it must undergo a more intensive maintenance schedule. We found in the course of our hearings on this subject that there simply are not enough vocational training centers in the country to produce the skilled technicians to do this laborious, intensive, routine, but extremely important maintenance work.

The Metro Training Center in Oklahoma City has such a program that can be expanded and should be expanded to become a national center. We have provided funding for up to four such centers to undertake this work of providing the Nation with a cadre of highly specialized, trained technicians. Of course, Oklahoma City is already an FAA center and they have air traffic control training and a number of other activities. So this fits in very well with the other activities of the FAA.

I urge the committee to provide the funding for this center and help our aircraft maintenance program move along as smartly as it should.

[The prepared statement of the Hon. Oberstar follows:]

STATEMENT OF HON. JAMES L. OBERSTAR

before the

SUBCOMMITTEE ON TRANSPORTATION

COMMITTEE ON APPROPRIATIONS

April 1, 1993

Mr. Chairman, and members of this distinguished Committee, it is pleasure to be here today to request your support for two national programs: the National Driver Register, and the Minnesota Technical College Air Traffic Control Training Center, and to support our colleague, Glenn English's request, for an advance maintenance trining facility.

NATIONAL DRIVER REGISTER

Mr. Chairman, as author of the National Driver Register Act of 1982, I want to compliment this Committee on its sustained support for the National Driver Register, funding it when the Administration was disinterested, pushing it forward, and keeping it adequately funded. This year, the need for adequate monies continues.

The Department of Transportation has not yet sent its detailed budget request to Congress, so I am not sure what dollar amount will be asked. The NDR received $3.6 million in fiscal year 1993, and I believe this year's request will be similar. Whatever the final number, it deserves full funding.

The National Driver Register is a central repository of information on individuals whose drivers licenses have been revoked, suspended, cancelled, or denied, or who have been convicted of certain serious traffic-related violations such as driving while impaired by alcohol or other drugs. State driver licensing officials query the NDR when someone applies for a license to determine if the applicant's license has been withdrawn in any other state. Because it is a nationwide computer index, with records from all states, a state needs only submit a single inquiry to obtain this information. The NDR's database assists the inquiring state's driver licensing official in determining whether or not to issue a license and improves the state's driver record system.

Forty eight states have established electronic access to the NDR file, which is a major step for states that issue licenses over the counter (as opposed to those states which require a waiting period).

Our highways are already safer, thanks to NDR, with fewer drugged and drunken drivers who previously would have been able to go out-of-state to replace licenses suspended in their home states because of their impaired driving. Thanks to NDR, if these drivers try to get an out-of-state license, 48 states can now identify them while they are standing in line and refuse them a license.

The demand for NDR services indicates its importance. In calendar year 1992 the Register received over 10 million interactive inquiries and almost 30 million total inquiries. It made over 1 million identifications (i.e. indications of a potential problem), and updated 11.6 million entries.

Not only are our highways safer, but our skies and rails as well. The NDR processes inquiries from the Federal Aviation Administration and the Federal Railroad Administration, for the detection of driving violations, especially alcohol-related violations, as a routine part of certification. Also, the U.S. Coast Guard recently received authorization to access NDR information on their certification applicants.

Last year, the NDR processed 412,000 inquiries from FAA, 10,000 from the Federal Railroad Administration, and an additional 45,000 from other Federal agencies.

The NDR is in the process of converting to the Problem Driver Pointer System (PDPS) to improve the speed and reliability of NDR information. Under the PDPS the Register will no longer contain substantive data, but will simply determine whether adverse action has been taken against an individual. It will not contain specific information about why an individual's name appears on the NDR file; such information will be available only at the state level. When a match occurs with a record on the NDR file, the NDR will electronically "point" to the state where the adverse action is maintained, retrieve that information, and relay it to the state of inquiry. Thus, states are assured timely and accurate information.

PDPS conversion activity consists of making system changes at the NDR and providing technical and training assistance to states in their conversion efforts, including a Help Desk staffed by a small group of systems analysts. The PDPS system changes at the NDR central computer site will be completed by May, 1993.

Four states participated in the PDPS Pilot Test Program: Ohio, North Dakota, Washington, and Virginia. Florida will be the first state to join these pilot states in June, 1993, with an additional 11 to 15 states scheduled for implementation by this December.

MINNESOTA AIR TRAFFIC CONTROL TRAINING CENTER

Mr. Chairman, another of my long-held interests under this Committee's jurisdiction has been the Minnesota Air Traffic Control Training Center. I share this interest with my colleague on this Committee, Mr. Sabo. And, as Chairman of the Public Works and Transportation Subcommittee on Aviation, I have seen the need that this facility has filled in the recent past, pioneering training methods for air traffic controllers. I urge the Committee to continue your past support for the Center.

The Training Center is demonstrating that a collegiate system, in collaboration with the Federal Aviation Administration and utilizing state-of-the-art technology and innovative instructional techniques, can cost-effectively attract, pre-screen and train highly qualified air traffic control developmentals who are achieving full performance level status with the FAA.

The Minnesota Technical College System is the deliverer of this program. Since admitting the first class in January, 1991, the Center has graduated six classes, totalling 148 students. Ninety three are currently employed and an additional 22 have report dates during April. These 115 graduates (a 78% hire rate) will be working at 11 of the Air Route Traffic Control Centers across the United States. In addition, 20 graduates have been issued facility assignments and currently await their report dates at five additional Air Route Traffic Control Centers.

To date, the graduates have performed satisfactorily in the field. Without exception, the feedback from on-site training staff has been very positive in both the technical and attitudinal areas.

The Center has also been successful in recruiting a culturally diverse student population. By adapting the curriculum and teaching methodology, nearly all individuals have been able to become successful.

Mr. Chairman, representatives of the Center will appear before you later in your hearing schedule, with further information on their program. I would at this point simply associate myself with their testimony, and state again my fullest support for their statement.

ADVANCE MAINTENANCE TRAINING FACILITIES

You have heard from our colleague from Oklahoma, Glenn English, regarding appropriations for advance maintenance training facilities. In the development of the current Trust Fund authorization Congressman English testified about the importance of funding of capital facilities for advanced maintenance training facilities. He made a compelling case, and Trust Fund funding for this was authorized. I want you to know that I am totally supportive of this new program and urge that funds be appropriated for it.

Mr. Carr. We thank you for your advice and counsel. I also want to congratulate you. There is no one in the Congress who has been more interested in the National Driver Register than you are. You are the driving force behind it and it has saved lives. People who are living today might not otherwise, because of your efforts—they probably don't even know your name. The country, if for no other reason than that, owes you a debt of gratitude. I think it has the unqualified support of this committee.

Mr. Oberstar. Thank you.

Mr. Carr. The only question I have about the air traffic training facility has more to do with the overall supply and demand.

As you know, the FAA's own training center at Oklahoma City is not currently taking more students because they have enough. Do you foresee a situation where maybe we would close the Oklahoma Air Traffic Control Academy and rely more on institutions like the Minnesota Air Traffic Control Training Center?

Where do you see us going in the future?

Mr. Oberstar. I see the FAA Center as the standard bearer, the centerpiece for air traffic control training. I think we need to continue the FAA-directed and operated center and support that activity with a certain number—although I don't know what that number might be—as demand requires of alternative training centers, but whose training will still be under the aegis of and standards set by the FAA.

While the Oklahoma center is not taking additional students, neither is the Minnesota vocational program right now. They have a new class scheduled for April 5th with 32 students. They had no January class. September 6th will begin another class. Those are 6-month training projects.

But the FAA has slowed down the Oklahoma center simply because they have had this Government-wide imposed ceiling on hiring. That has no relationship to the demand and the need for air traffic controllers. The need is still there very substantially. And there are facilities that have sufficient staffing, but there are more that are understaffed, and we find centers that are still working excessive overtime with insufficient leave time.

Mr. Carr. Has your committee done any cost comparison between the cost of educating and training a controller at Oklahoma City versus training an air traffic controller in Minnesota?

Mr. Oberstar. We have given that some thought and it seems that we really ought to wait until the September class to really have a good 2 to 3 year experience base before undertaking such a comparison. But I think that would be an appropriate time to discuss this with FAA and with GAO. I think we will wait until at least two more classes have been processed through the Minnesota program and then make a comparison. We would look not only to cost, but to quality of training.

Mr. Carr. The Minnesota program is following the pre-screens that the Academy requires, are they not?

Mr. Oberstar. That is correct.

Mr. Carr. I would just offer it as a discussion point for the future that perhaps places like the Minnesota center could carry the ball. Maybe we could achieve some governmental economies here. I don't know that it would prove out.

Mr. OBERSTAR. I have no problem at all with that approach. As I said, my professional staff and I have discussed it and reviewed this matter and discussed it with the FAA and GAO where we think that another 6 months experience would then be a good time to look at how standards are being maintained and the quality of work.

We are finding, though, that the students now entering air traffic control training centers move along far more quickly than they did 15 or 20 years ago because you are getting a high school product fully familiar with computers and at ease with the computer technology, hardware, and understanding of software that really helps them to move ahead much more quickly.

The real task is to match the quickness of mind and agility of mind to the physical skills just entering information. I compare it very much to doing simultaneous translation as a language teacher and one who did simultaneous and consecutive translation. There is a certain skill that a person needs to do this work.

I don't particularly have it. I hear French and my mind wants to look for the precise word to give the translation. A skilled and advanced simultaneous interpreter just moves the words right through like a sieve from ear to mouth quickly. An air traffic controller has to work in the same way. They have to know it so well that they operate on instinct to move commands forward.

Mr. CARR. We look forward to working with you. We are a little bit concerned here about the demand for controllers, as you point out, the OPM rules and requirements in whatever happens to be the hiring mode of the Government at a particular time, and the capacity to train. If we mismatch any one of those three over a long period of time, we end up with inefficiencies that waste money. So we will be looking forward to working with you in the future.

Mr. OBERSTAR. I am glad to hear your concern about it. I think we are coming up on two humps—a smaller one and a larger one—one hump is the group of controllers that stayed on in 1981 and the other hump is those hired in 1981, 1982, and early 1983 who will be reaching retirement age around the year 2000 or just shortly thereafter. We need to be sure that we have a ready reserve coming into the system.

Mr. CARR. And it is not efficient from the standpoint of training, either, to have training institutions—be it in Minnesota or Oklahoma City—going dark for periods of time. There is a real cost—not just financial but a cost of the pedagogical continuity.

Mr. OBERSTAR. Exactly.

Mr. CARR. So we really need to think about how we manage the flow of instructor talent, dollars, and the throughput of students in an effective way. We look forward to working with you on that.

Mr. OBERSTAR. Thank you, Mr. Chairman.

Mr. CARR. Mr. Wolf.

Mr. WOLF. Thank you, Mr. Chairman.

The National Driver Register—is there any way that can be used for boating?

Mr. OBERSTAR. If the Coast Guard wishes to access the NDR, they would be able to do so. They would just work out a memorandum of understanding with the NDR to do that, as the FAA has done.

Mr. WOLF. We have had a number of witnesses in the last couple of weeks who have testified with regard to the greater increase in boating accidents involving alcohol.

I guess you don't actually get a boating license the same way, but would there be any way—do States require boating licenses? Do you know?

Mr. OBERSTAR. Well, in Minnesota, we require boats to be licensed.

Mr. WOLF. But not the drivers?

Mr. OBERSTAR. We require boats to be licensed, although not an individual. It is licensed in a person's name, therefore, there is a connection with a human being.

Mr. WOLF. I just wonder if there would be any way to tie in boating, particularly given the number of accidents involving alcohol.

Mr. OBERSTAR. You may wish to pursue that with the Coast Guard when they come for testimony.

Mr. WOLF. I will ask them that.

On the Minnesota Air Traffic Control—is that training the same as the Oklahoma training?

Mr. OBERSTAR. Yes.

Mr. WOLF. And is it basically the same training course?

Mr. OBERSTAR. It is the same course. They use the same technology and they follow the same curriculum.

Mr. WOLF. Thank you very much.

Thank you, Mr. Chairman.

Mr. CARR. Mr. DeLay.

Mr. DELAY. Thank you, Mr. Chairman.

I appreciate you coming before us, Mr. Chairman, but I only have one question. Actually, I think it has been answered, but I would like it in the record.

At the aging aircraft maintenance facility in Oklahoma, the funds that have been going to that come out of the Aviation Trust Fund, does it not?

Mr. OBERSTAR. The facility now is operated by the State of Oklahoma. The construction of the facility was done by the State of Oklahoma and supported by it on its operating curriculum and also by Oklahoma City. The addition that we would be considering would be an amount up to but not to exceed $5 million—it might not be that much and could be considerably less than that—to build an extension onto the existing structure which would be dedicated entirely to aging aircraft training and maintenance.

They already have a 727 hulk and they have a DC–9 hulk at the center. They do maintenance work on those pieces with their existing program. The addition would allow them to do work on other type and model of aircraft. Only this amount for the construction of the facility would come out of the Aviation Trust Fund.

Mr. DELAY. But the Federal monies would come from the Aviation Trust Fund?

Mr. OBERSTAR. Yes. Then there would be a match by the State of Oklahoma.

Mr. DELAY. Thank you, Mr. Chairman.

Thank you, Mr. Chairman.

Mr. CARR. Thank you, Mr. Chairman.

THURSDAY, APRIL 1, 1993.

NATIONAL GOVERNORS' ASSOCIATION

WITNESSES

HON. JAMES H. BILBRAY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEVADA

ROBERT (BOB) J. MILLER, GOVERNOR OF NEVADA, AND LEAD GOVERNOR ON SURFACE TRANSPORTATION, NATIONAL GOVERNORS' ASSOCIATION

Mr. CARR. Our next friend is our good friend from Nevada to make an introduction.

Mr. BILBRAY. I would like to introduce the Democratic governor of Nevada, Bob Miller, who is a good friend of mine and excellent governor. He certainly has his pertinent statements to make to the distinguished chairman of the committee.

Mr. CARR. Governor, we welcome you again. We had a nice chance to visit when you were here for the Governor's Conference and I appreciate the visit.

Mr. MILLER. It is my pleasure to be here.

I hope your spouse is fully recovered from that accident, which undoubtedly occurred on the California side of the border. [Laughter.]

Mr. CARR. It was a Colorado accident.

And we do apologize. We know that you have had to stretch your schedule to be here.

Mr. MILLER. I am actually attending the children's summit at the very strong request of my spouse, who will be informing me about my tardiness momentarily. But I do appreciate the time. I will keep my remarks brief.

Since you have covered planes, trains, automobiles, and boats, I am here to discuss the urgent need for bicycle pathways and pedestrian walkways, which I think is critical to the future of the country. That can only be said on April 1st, of course. [Laughter.]

I will keep it brief, however, Mr. Chairman, and ask that my written remarks be entered into the record. I think there is probably little I could say that you do not already know, or perhaps don't even agree with. I am in fact the lead governor of the National Governors' Association in the area of transportation, so I will present the association's position as best I can, obviously with some small bias toward our State of Nevada.

The case for full funding of ISTEA, which you have heard many times, is built on need, commitment, support, and feasibility. I don't think there is any question about the need. We would have to expend $9.5 billion a year more than currently funded just to maintain the 1989 conditions to our roads and highways. To significantly improve those roads and highways, we would have to more than double our investment from about $36 billion per year to $75 billion.

The United States Department of Transportation has indicated that capital funding for transit systems is also needed in the area of about $7.5 billion per year.

These national level generations, I suppose, are difficult to put into very real terms, so I don't want to steal the Congressman's comments, but in an overview, in the State of Nevada, our 10-year estimate shows that we have $3 billion worth of needs and $1.5 million worth of anticipated revenue to meet those needs. The backlog of necessary highway repair in our State is over $300 million and potentially growing larger as I am sure it is in many other States.

I could take a look at our State, as you have done in so many others this morning and many times in the past, and tell you that I could start in the northern part of the State with the resurfacing of Interstate 80 connecting California to Utah, go into the south and talk about a bridge spanning the Colorado River near Hoover Dam, and in between you have the Las Vegas Beltway, the widening of Interstate 15, which connects southern California to Las Vegas, expansions of airports and upgrading of the Reno rail yards, and a half dozen major interchanges in Las Vegas, which is amongst the fastest growing cities in the country. Nevada is in fact the fastest growing State.

The bill can then go from the millions to the tens of millions to the hundreds of millions into the billions and we are a State with a population of 1.25 million.

None of those that I mentioned a moment ago could be characterized as frivolous or pork. They are absolutely essential to the continued growth of our community. And besides those that are absolutely essential, we have the merely important, such as the potential of a high-speed train between southern Nevada and southern California areas, or even the northern parts of our State into neighboring California, or even the recently maligned maglev concept, which we have done some studies on in Nevada in the southern Nevada area for people movers in that area.

The high-speed train, I might mention, we are well in advance of other studies, having had for many years a bi-State commission between California and Nevada, which still exists, studying that possibility as much as possible with private funding input.

Increasing the infrastructure we think has both long-term and short-term benefits. Every dollar spent on public infrastructure generates two to five times as much leverage on the GNP as does additional dollars in private investment. Mr. Chairman, $1 million on transportation could potentially mean as much as 60,000 jobs, half within construction and half within the broader economy. We certainly think that we have the means.

The ISTEA, which you all bipartisanly supported 15 months ago, has provided that means and authorized originally over $20 billion a year for highways and $5 billion for public transit. We think we have the ability to expend that. I have provided you, Mr. Chairman, with the study done by the transportation officers of the various States outlining what projects they thought were feasible for immediate start-up in addition to those which we have already provided in the past that are in a longer term preparedness.

I don't think there is any single issue in the National Governors' Association that has stronger support. All 50 governors last year, including then governor Bill Clinton, signed a letter supporting full funding of ISTEA. The Federal gas tax revenues deposited in the Highway Trust Fund are collected for the purpose of financing transportation programs, and the governors are unified in supporting that proposal.

I think it is important to stress that this consensus is backed by commitment and State and local governments are ready to provide $4 out of every $5 spent on surface transportation. In Nevada alone, in our last legislative session 2 years ago, we passed an additional 5 cent tax on gasoline. In the Congressman's district, they passed a bond issue overwhelmingly raising taxes for $100 million a year for each of the next 10 years to be funding transportation.

So the commitment at the State and local level is very strong. It adds up to the fact that we have the need, the benefits are substantial, the long-term costs of not acting are beyond calculation, the support is strong, and the commitment of State and local governments I believe is firm. The delivery mechanism is one which you all have put in place for all of us, so on behalf of the Nation's governors, I urge your consideration of full funding of ISTEA.

[The prepared statement of Gov. Miller follows:]

TESTIMONY

Statement of
The Honorable Bob Miller
Governor of Nevada

and

Lead Governor on Surface Transportation

before the

Subcommittee on Transportation
Committee on Appropriations
U.S. House of Representatives

on

Full Funding of the Intermodal Surface Transportation Efficiency Act

April 1, 1993

NATIONAL GOVERNORS' ASSOCIATION
Hall of the States • 444 North Capitol Street • Washington, DC 20001-1572 • (202) 624-5300

Mr. Chairman and Members of the Subcommittee, I am pleased to be here this morning to present testimony on behalf of the nation's Governors. I am Bob Miller, Governor of Nevada, and lead Governor on transportation for the National Governors' Association. I am here today to offer the strong and undivided support of the nation's Governors for fully funding the nation's surface transportation program.

At the outset, I want to express my appreciation for this committee's action on the infrastructure component of President Clinton's stimulus program. Fully funding surface transportation in both the stimulus program and over the longer term was one of the most critical concerns addressed when all the Governors met in February, as I discussed with Chairman Carr at the time. We strongly believe that investing in surface transportation can help improve the current economic climate and, most importantly, can increase the long-term productive capacity of the economy. We ask you to maintain your support for the transportation investment needed to ensure our long-term prosperity.

Just 15 months ago, Congress acted with strong public and bipartisan support to adopt the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991. ISTEA authorized more than $20 billion a year for highways and $5 billion a year for public transit. But as you well know, our collective ability to fulfill the expectations created with that new program depends in large part on the federal government providing the funding authorized in ISTEA.

No one is more aware than the members of this subcommittee of the major challenges confronting America's surface transportation systems. Even full funding of ISTEA will fall short of addressing problems with deteriorating bridges, congested metropolitan areas with overburdened highways, inadequate public transportation facilities and services, and inefficient connections between road and rail systems. Plans for new highways remain on the drawing boards in many states. This is especially true in states with large land areas, where transportation networks provide critical support for necessary economic development. No locality, state, or region can prosper -- and, therefore, the nation cannot prosper -- without adequate transportation infrastructure.

The particular circumstances and needs may vary from state to state, but the basic message is clear. There is an unquestioned need for increased transportation infrastructure investment. National estimates by the Federal Highway Administration show that we would have to invest $9.5 billion a year more than is currently being spent, just to maintain the nation's highways at 1989 conditions. To significantly improve conditions would require more than doubling current national investment, from about $36 billion per year to $75 billion each year. The U.S. Department of Transportation also projects a capital funding need for transit systems of $7.5 billion a year.

Let me give you some sense of what this means in specific and "concrete" terms. In Nevada, the ten-year estimate of highway financing needs relative to projected income shows about $1.5 billion, coming from all sources, to deal with $3 billion in essential need.

When I look at the need for transportation infrastructure spending in Nevada, I start in the north with the resurfacing of Interstate 80, which connects California with Utah, and I end in the South with a bridge spanning the Colorado River, which would take traffic off Hoover Dam. In between, we have the Las Vegas beltway, the widening of I-15 (which connects California with Las Vegas), expansions at both of our major airports, upgrading railyards in Reno, and rebuilding a half-dozen major interchanges in the Las Vegas area, which continues to be one of the nation's fastest growing. The bill mounts through the tens and hundreds of millions, and into the billions -- in a state with only one and a quarter million people.

None of what I am talking about is frivolous or pork. These projects are essential to serve the public, to support interstate commerce, and to undergird our continued economic growth and development. Beyond the absolutely essential, we have the merely important, including noteworthy projects such as a magnetic levitation people mover in Las Vegas and a high speed rail line between California and Nevada.

Increasing investment in America's highways and other transportation facilities at this time will have both long-term and short-term economic value. Every billion dollars spent on transportation infrastructure generates as many as 60,000 jobs -- half within the construction industry and half within the broader economy. For every dollar spent on highways and bridges in the United States, $15 in private expenditures are invested in motor vehicles and associated equipment, according to the Highway Users Federation.

The decline in public and private investment over the past two decades has contributed to lost productivity growth in our country. The General Accounting Office reports that we continue to lag behind investment levels of our competitors as a percentage of gross national product. Five years ago, the National Council on Public Works Improvement recommended that public spending on infrastructure that is key to economic productivity be doubled by the end of the century. There is no better way to guarantee transportation infrastructure investments that contribute to long-term economic competitiveness than to fully fund ISTEA.

There is no single issue on which there is a stronger consensus among Governors than fully funding this program. At every recent NGA meeting, Governors have unanimously adopted resolutions calling for full funding of ISTEA and last year fifty Governors (including then Governor Clinton) signed a letter last year supporting full funding. The highway program is a "pay as you go" program financed with fees collected from highway users. The revenues deposited in the federal Highway Trust Fund are dedicated to financing transportation programs and by law cannot be used for any other purpose.

NGA policy opposes the diversion of gas tax revenues to the general fund and supports elimination of the 2.5-cent diversion imposed in 1990. If federal gas tax dollars are collected and not invested in transportation, it is even more difficult for states to raise these dedicated taxes to meet their transportation investment needs. Governors of both parties and from all regions believe these dedicated revenues should be spent to improve our transportation systems. Therefore, I applaud the Administration's proposal to deposit these funds in the highway trust fund beginning October 1, 1995.

It is important to emphasize that this consensus is backed by commitment. State and local governments already provide four out of every five dollars spent nationally for surface transportation. This has expanded substantially over the last decade. At its last session, Nevada's legislature raised the state gas tax by five cents a gallon. Voters in Las Vegas and the surrounding communities that make up Clark County voted overwhelmingly in favor of paying $100 million in each of the next ten years to fund transportation projects.

State commitment will be maintained, but it is essential that the federal government continue to increase its investment in transportation infrastructure. The benefits in the near term are substantial. The long-term costs of inaction or delay are enormous. Mr. Chairman and members of the subcommittee, you have critical decisions to make in the next several weeks and in the months and years beyond. Many of these decisions must be made in a context of uncertainty. But you may be certain of one thing. As you develop the 1994 appropriations bill, you will have the strong and undivided support of the nation's Governors to fully fund surface transportation programs. Thank you for the opportunity to testify. I will glad to respond if there are questions.

Mr. Carr. Thank you, Governor.

I think you were when I talked to Congresswoman Molinari and we had a discussion of the fact that with currently projected revenues we don't have the revenues to fully fund ISTEA.

Have the governors talked about this?

Mr. Miller. We haven't had a detailed discussion of that question. However, if I can be presumptuous enough to speak for my colleagues, I think that much of it is resolved by the return of the 2.5 cents, which is in the proposal which you mentioned as a partial funding.

I personally haven't calculated what additional funding is there, but in our study, we have always believed that if the money came in for that purpose, it should be expended for that purpose.

Mr. Carr. I think we would agree. I was personally opposed to taking the 2.5 cents out of the Trust Fund and putting it to deficit reduction, but people like myself didn't get our way. The return of the 2.5 cents, I would indicate, does not solve the problem. It lessens the problem, but it does not solve the problem. Indeed, the Secretary of Transportation has recognized the problem that is presented by delaying the return of the 2.5 cents until October of 1995, and then guaranteeing that .5 cent of that goes to transit.

In his proposal, he is asking that the Highway Trust Fund have the ability to borrow from the transit fund because the highway fund is in a negative situation. Now, this is in advance of any impacts due to the BTU tax.

I am wondering if the Governors have considered the impact. The alternative fuels' exemption to the BTU tax—that is a pretty powerful market incentive which is going to further disrupt the revenue flow into the trust fund.

Mr. Miller. In the February meeting, I don't think we had a lot of in-depth discussion of the pact because we meet in early February and there really wasn't a lot of time. But as I understand, the indication is that there is some suggestion by the governors that even in the BTU tax there be some allocation in the transportation realm.

Mr. Carr. I hope the association is taking into account these related phenomenon which will in time have the effect of reducing the amount of money that comes into the trust fund. And it is the revenue into the trust fund that provides a more realistic target for us in terms of what we can achieve.

This committee wants to guarantee to governors and transportation directors and road builders and transit contractors throughout the country that they are going to have a steady and committed level. I don't want to get in the situation where people are coming at this committee 2 or 3 years from now asking why we didn't appropriate as much as the previous year.

Until we see the light at the end of the tunnel, we are going to have to be very cautious.

Mr. Miller. I don't think you have any disagreement with the governors that I have discussed this matter with. Certainly since the energy formula came on board relatively late, in our studies we haven't had time to review the points that you're bringing up. We certainly will in our next meeting, which will be this summer.

I think the basic disagreement with the governors is the concept of taking part of the trust fund and using it as a guise to try to make the deficit look lower. We think as much of the trust fund as can be expended, should be expended. That is what it is raised for. We are certainly not suggesting that we go into a deficit in the trust fund, but we do think that more of it can and should be expended.

Mr. CARR. What about saying, "Okay, if you're going to exempt alternative fuels from the BTU tax, we at least want alternative fuels to start paying their highway obligations"? Are the governors taking that up?

Mr. MILLER. We haven't studied that yet. That is something that I will certainly take back to the association.

Mr. CARR. Mr. DeLay.

Mr. DELAY. Thank you, Mr. Chairman. I will be very brief.

Governor, it is very impressive that you would come and testify before this committee. It sends a great signal coming from the Governors' Association.

I don't know about Nevada, but in Texas we are starting to see some conflicts in ISTEA as to how projects are prioritized and how money is allocated, particularly in those bigger States that have multiple MPOs.

Have you noticed any problem with that, or have the governors seen any problem with that? If not, could we get the association to look into that and survey that States as to what kinds of results or conflicts they are seeing in that funding mechanism and that prioritization mechanism?

Mr. MILLER. I would be delighted to present you with whatever information we can gather. I would prefer to get something in writing as to the specificity.

Each State handles transportation dollars somewhat differently. For example, in Nevada, in the last legislative session we created a transportation board. We had had one before and then there was none, and the governor just made the decision to have a board which consisted of several constitutional officers and a couple of other individuals from various districts. I think it is true even in our State, which is sparsely populated except for a couple of urban areas, that there is competition because of the shortage of dollars and the need for projects. Everybody wants more. I think that is inherent with any system.

Certainly I will be glad to try to gather the information as to how the various States do their prioritization.

In the report we provided for the chairman, we would be glad to provide for yourself as well. The survey that we did was to ready projects in light of the possible infusion into the infrastructure. We feel there is about $8.5 billion worth of projects in the various States that could be implemented within 60 to 90 days. So that might give you an overview State-by-State. We will try to give the philosophical review as well.

Mr. DELAY. Good. Don't misunderstand me. We know how they are allocating the monies and prioritizing them. We are looking for whether there are any problems. I know in Houston—and I am not criticizing the system—our MPO has suddenly been invigorated with what they think is new powers. It is creating—it's not a battleground yet, but I see some potential for some problems of conflicts between the MPO and the State Transportation Agency. Turf battles, so to speak. I am a little worried about that.

Mr. MILLER. We will be glad to respond.

Mr. DELAY. I will send you a letter on it in greater detail.

Thank you, Governor, for being here.

Mr. MILLER. Thank you.

Mr. DELAY. Thank you, Mr. Chairman.

Mr. CARR. Do you have any additional comments, Governor?

Mr. MILLER. No. I appreciate the opportunity to address this body and look forward to answering any other questions you might have as they are provided to me.

Mr. CARR. Thank you.

Mr. MILLER. Thank you very much and thank you for allowing me to depart.

THURSDAY, APRIL 1, 1993.

I-15 INTERCHANGE AT SPRING MOUNTAIN

WITNESS

HON. JAMES H. BILBRAY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEVADA

Mr. CARR. Mr. Bilbray, we will put your entire statement in the record.

Mr. BILBRAY. The governor has mentioned some of the points that I was going to make.

In the past, the committee has been very supportive of the project I want to talk about. It is the I-15 interchange at Spring Mountain.

To give you a little background, for some of you from the east coast or the midwest, you should certainly be aware of the fact that 87 percent of Nevada is owned by the Federal Government. A few years ago, we had what we called the Sagebrush Rebellion—which was brutally suppressed by the Federal Government and no longer exists—to try to get back some of this land.

One of the reasons for that was the fact that with 87 percent of the property owned by the Federal Government, and another 4 percent to 5 percent owned by the State government for State parks and regional parks, it leaves a very small percentage of our property in our State that is on the property rolls. Because of that reason, it really inhibits the production of income from property taxes in our State. So therefore, we actually look to the Federal Government for more and more help on our highway transportation. We have gotten that over the years by the funding formulas.

Most of the areas—I-80 that the governor mentioned, I-15 that the governor mentioned—are really bridge roads. They connect the east coast to the west coast because normally it is very difficult to get to the west coast unless you either travel through Arizona or Nevada, especially in the winter, those are the main roads and even in the summer.

The I-15 interchange—on which last year you gave us $6 million toward completion of that interchange—is one that is heavily used by people bridging the State. They get off to eat, they stop in that area. It is a heavily trafficked area. Mr. Chairman, 100,000 cars a day use that interchange. And it is an interchange that was originally built in the early 1960s and is totally inadequate.

To give you an idea of the growth of southern Nevada, when I was born in southern Nevada, the whole valley had 7,500 people. We now estimate that the valley has 900,000 people and is growing at the rate of 4,000 people per month. It is a tremendous impact.

The I–15 interchange, which is a project that is already going. This is phase 3 that we're talking about. We are asking that we get some help. We need $49 million to complete the project. Of course, we would love the committee to give us the whole $49 million, but we are certainly grateful for whatever the committee will do to help us with this project.

I would also like to point out that the project is ready to go this summer and will create 1,000 jobs to finish this section of the project. So it is one of those projects that has been earmarked by the Administration and many people to create jobs where we can get the money in and we're not going to be going through a 2-year planning process. The plans are drawn, the bids are ready to go. We are ready to go and by June we can actually be in construction of this section of the project.

So it is one on which we really desperately need your help. As the governor mentioned, we—the Clark County people have passed a bond issue which is over $1 billion. The governor mentioned $100 million per year of local funds. This is not State and Federal funds, just local Clark County funds going into working in this area and building these projects.

I had a figure of $200 million per year. The governor said $100 million, and I presume that he is right and I am wrong.

But regardless, for a county that is striving and is 10 years behind in most of its projects, this is a great deal of money from our local people. They voted in that bond issue, increased the sales tax in the county to do so, and increased the property tax. Again with only 5 percent of the State on the property rolls, this is a tremendous burden for the people of southern Nevada.

Again, your committee has been very good to Clark County in the past, and we ask that you be even better this year. I understand that we can get out there and do a lot of work and we can create a lot of jobs in the next 2 to 3 months if this project is approved as one of your specially appropriated projects.

[The prepared statement of the Hon. Bilbray follows:]

Statement of Rep. James Bilbray
Subcommittee on Transportation
April 1, 1993

Mr. Chairman, I appreciate you giving me the opportunity to appear before your Subcommittee as you begin the difficult task of putting together the FY 94 appropriations for the Department of Transportation.

Through your support and that of former Chairman Lehman, which I am greatly appreciative, the Subcommittee has supported reconstruction of the I-15 interchange at Spring Mountain

Road.

Within the past few years, transportation emerged as a major issue in the Las Vegas Valley. Extreme growth, driven by the expansion in the resort industry, significantly increased the number of residents, visitors, and vehicles in the Las Vegas area.

Clark County, where Las Vegas is located, has a net growth of 4,000 citizens a month. Figures released by the Commerce Department indicate this growth will continue unabated through the end of the century.

This tremendous growth has seriously strained the State's transportation network. The transportation system in Southern Nevada is 10 years behind in meeting the travel requirements of the population.

Nevada's elected officials have worked aggressively to readdress this shortfall. However, federal funds are needed to meet the travel requirements of Southern Nevada and the nation.

Your Subcommittee has been supportive of the Spring Mountain Interchange in which I am requesting additional funding. In last year's transportation appropriation bill, the Subcommittee allocated $6 million for the I-15 Spring Mountain Interchange.

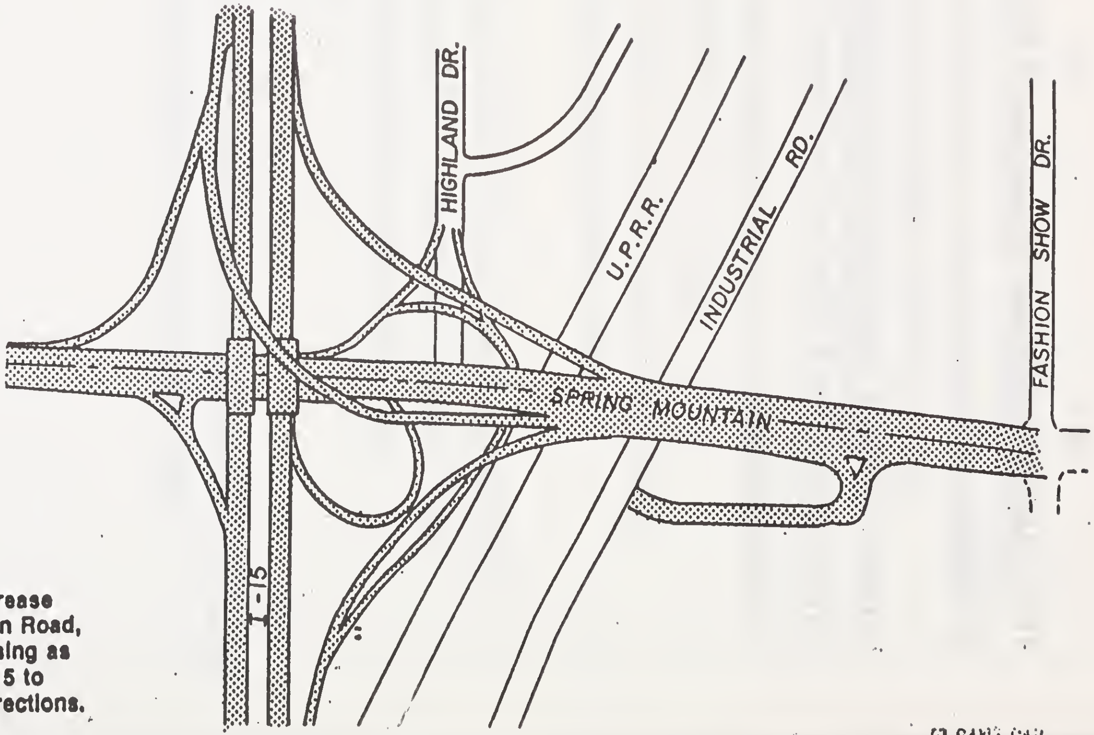
This interchange is one of the most congested in Las Vegas. The interchange carries approximately 100,000 vehicles per day.

To ensure that this project continues on the road to reconstruction, I am requesting $49 million for the project.

As the Subcommittee begins its work on this year's bill, I would again ask the Subcommittee to support this project.

Again, thank you for your support for improving the highway infrastructure in Las Vegas.

SPRING MOUNTAIN ROAD - I-15 INTERCHANGE



Spring Mountain I-15 Interchange:

The intention of this project is to increase traffic capacity along Spring Mountain Road, eliminate the "at grade" railroad crossing as well as provide access to Interstate 15 to both northbound and southbound directions.

Mr. CARR. Thank you, Congressman Bilbray.

I am looking at a map and I was trying to find the interchange at Spring Mountain.

Mr. BILBRAY. When you come right into Las Vegas—the Spring Mountains run for about 100 miles on the side.

Mr. CARR. Now I have it.

Mr. BILBRAY. If you have been to Las Vegas and you have seen the Mirage Hotel, the Mirage Hotel is on Spring Mountain.

Mr. CARR. I was fooled by my map. Now I see where it is.

This is an existing interchange?

Mr. BILBRAY. That's correct. It was just built 30 years ago.

Mr. CARR. Is it a conventional cloverleaf?

Mr. BILBRAY. I have the map of what it is going to look like. Right now, it is not a conventional cloverleaf. It actually has a very limited access, ingress and egress, on the project. When it is finished, it will be a quasi——

Mr. CARR. I see that map.

Is this what it looks like today, or is this how it is going to be reconfigured?

Mr. BILBRAY. That is what it will look like when it is completed. It has one lane going on and one lane coming off at present. That is only from the north end. You cannot get on or off of it from the south end.

Mr. CARR. Could you ask your Nevada Department of Transportation to give us a picture or look at it as it exists today so that we can have a before and after look?

Mr. BILBRAY. Absolutely. We will have those to you very shortly.

Mr. CARR. Mr. DeLay.

Mr. DELAY. I have no questions.

Mr. CARR. Mr. Foglietta.

Mr. FOGLIETTA. No questions, Mr. Chairman.

Mr. CARR. Mr. Sabo.

Mr. SABO. I have no questions.

Mr. CARR. Thank you for being here.

Mr. BILBRAY. Thank you, gentlemen, for the time and for the courtesy you gave to my governor.

THURSDAY, APRIL 1, 1993.

AMERICAN ASSOCIATION OF PRIVATE RAILROAD CAR OWNERS

WITNESS

CLARK E. JOHNSON, JR., DIRECTOR, AMERICAN ASSOCIATION OF PRIVATE RAILROAD CAR OWNERS

Mr. CARR. I will yield the Chair to the gentleman from Minnesota.

Mr. SABO [assuming Chair]. Thank you, Mr. Chairman.

It is my privilege to introduce to the committee, Mr. Clark Johnson, both a friend, constituent, and neighbor in Minneapolis. Mr. Johnson has lots of credentials, but what brings him here is a lifelong interest in the railroad industry. He owns a private car which uses Amtrak extensively. Frankly, he thinks Amtrak needs significant improvement in marketing.

Clark, we're happy to have you here so that the committee can hear of your knowledge and expertise as it relates to Amtrak.

Mr. JOHNSON. Thank you, Mr. Chairman.

I am delighted to have the chance to be here. I would like to have my written remarks entered into the record and take off from there.

I am probably Amtrak's largest single individual customer in that I paid them slightly over $80,000 last year and travelled the system from one end to the other, north to south, and east to west. I am concerned primarily about the long-term structure, and in my remarks here today I am going to address the possibility of solving that problem.

At the last Congress, Congressman Swift suggested that 1 cent of the 2.5 cents from the Highway Trust Fund be set aside as a capital budget for Amtrak. Amtrak has a serious capital budget problem in that the equipment is getting quite ancient. The equipment they bought in the early years, in 1970, is now older than the average age of equipment they inherited when they took over the passenger service in the freight railroads in 1971. It is essential that some sort of long-term capital funding for replacement and augmentation of this equipment be put in place, whether it is 1 cent from the trust fund or some other long-term funding mechanism, it is essential that this be done.

One of the problems Amtrak has right now is that it runs at capacity during certain periods of the year and on certain routes. As a result of that, they have become very lax about marketing. They are very uneven in their performance and response to customers throughout the country.

But what I wanted to address particularly in my oral remarks is that such a long-term reliable source of capital funding would permit the reestablishment in this country of the car building industry. We no longer build passenger cars in the United States.

As you probably all know, the subway cars in the Washington subway system were built by Italians. I noticed this morning when I came into the station by train this morning that the cars built for the new Virginia commuter service were built in Brazil. A long-term reliable source of capital equipment funding would permit the reestablishment of car building. As rapid transit and as rail transit become more popular, we need to have a domestic source of cars.

This would not only reestablish some of the successors to the old names that we're all familiar with, but also provide a number of very high-paying jobs and increase the need for steel and other products of our heavy industries that have suffered so badly over the past few years.

I am here to recommend the establishment of some sort of long-term funding in order to solve this problem. It not only provides Amtrak with the equipment to expand their service, to add additional trains, to add additional equipment to trains at peak periods, but also to turn the system into a much more widespread use. There are always demands for additional trains and Amtrak's excuse is generally that they don't have the equipment.

That is my position and my recommendation. I would like to address any questions at this time.

[The prepared statement of Mr. Johnson follows:]

TESTIMONY OF CLARK E. JOHNSON, JR.
Appropriations Committee Hearings
For the
Department of Transportation
1 April 1993

I am delighted to have the opportunity to appear before this committee to express my views on the Amtrak portion of the Transportation Department for fiscal year 1994.

I am appearing as a private citizen representing only myself. I am, however, perhaps Amtrak's largest individual customer in that I do own a private railroad car that I lease out and use myself. In 1992 I paid Amtrak over $80,000 for their services. As a consequence, I have the opportunity of travelling throughout the system seeing the company's performance first-hand.

Overall, Amtrak's performance is only fair and its inconsistency nationwide needs management attention. In some areas of the country and on some trains employees are very good indeed, but in others bad attitudes and poor performance prevail. The public, unfortunately, remembers the poor on-time performance and bad service far longer than good service.

A recurring observation during our trips around the system is the lack of empowerment of the people "on the ground" doing the work, meeting the customers and operating the trains. Employee training seems inadequate, dirty trains are often dispatched late and there are too many mechanical problems. Too many low-level decisions are referred to Washington for resolution or more often to avoid or defer solution.

I have had a life-long interest in the development, support and expansion of a viable rail passenger network in the United States. We are the only industrialized country in the world that has not made rail transport an integral part of its national transportation infrastructure.

I come from the high-technology world and have often wondered how the ralroad industry has been able to survive what until recently on many lines (Amtrak included) can best be called antiquated management techniques. Many rules and procedures were instituted back in the early days when cashiered army officers from the Civil War where widely employed to build and operate the railroads. This management style, the so-called "Lionel" approach that views the running of trains more important than user needs, persists today.

The industry has survived for a very fundamental physics reason: the coefficient of friction of a steel wheel rolling on a steel rail is about 0.01, much less than that of rubber-tired vehicles. The resulting energy efficiency is high enough to overcome bad management. And in fact if the true costs of the nation's road system were allocated fairly, we would see very few interstate trucks on our highways.

Amtrak needs a reliable, on-going source of capital funding to secure additional equipment. Currently, during certain times of the year the system operates at saturation with no possibility of adding additional equipment, providing second sections of popular trains or adding new routes to the nationwide system. This inability to meet market needs has had an insidious effect on the company. Since it is a monopoly, Amtrak has not felt the need or pressure to be customer and market driven.

Let me give some examples. While it gives lip service to working with travel agents, it does not make it easy for agents to book Amtrak travel. There are many examples of the company discouraging group travel, oftentimes in the name of a shortage of equipment. Since there is a large pool of potential customers, little effort is made to provide a service that retains existing ones. Many riders after their first Amtrak experience, refuse to travel by train again.

As a private car owner, I am continuously subjected to the implementation of a number of arbitrary and capricious regulations whose main effect is to discourage our use of the Amtrak system. A number of private car owners who have tried to make a living in the private car leasing business have simply given up in the face of these totally arbitrary tariff restrictions.

There has been a significant improvement over the last six months in the attitudes of an increasing number of Amtrak personnel toward the operation of private cars. This change has not, unfortunately, extended to altering the tariff to make arranging private car travel easier. Prospective private car lessees cannot understand why costs are not fully predictable and schedules not flexible (without paying substantial penalties).

Amtrak's management has made great strides in dealing with the expense side of the ledger. Labor contracts have been renegotiated, freight railroad charges trimmed, but unfortunately maintenance has been deferred, especially locomotive repairs, causing unnecessary train delays. In my view it is now time to address the income side of the ledger. Receipts can only be increased by increasing available seat miles and doing so requires additional equipment.

I might point out that the equipment purchased by Amtrak during its early years, the Amfleet cars, are now older on average than the equipment inherited from the freight railroads at Amtrak's inception in 1971.

A massive equipment acquisition program is required and I strongly urge the adaption of one-cent per gallon from the existing gasoline tax--dedicated exclusively to Amtrak capital expenditures--providing a funding level of about $1,000,000,000 per year. This was proposed in the 102nd Congress by Representative Al Swift in H.R. 4414.

The promise of a consistent capital budget would permit Amtrak to develop a vision of what it is, who it is serving and where the corporation is heading. Such a vision, developed in conjunction with employees--especially those in train service--would substantially improve the consistency of the performance of personnel in contact with the public.

A problem with such a vision is that Amtrak is really two railroad companies: several high-density corridor passenger operations that successfully compete with the airlines (e.g. Washington-New York, Los Angeles-San Diego, Boston-New York, Chicago-Milwaukee); and a "cruise" train operation with one (or fewer) trains per day on long-haul routes. These long-haul trains also serve a very useful travel need to a large number of smaller cities and towns that have no other form of public transportation.

The needs and expectations of customers for these two "companies" are very different and yet Amtrak's marketing, advertising and prospective customer solicitations do not adequately differentiate between the two. I further urge that middle and senior Amtrak management from all corporporate functions ride the trains and talk to customers. They would learn a lot, as they learned from their own commissioned survey of Amtrak employees.

Private car owners do have a serious reservation about a one-cent per gallon dedicated tax for Amtrak: access for our cars. With such a revenue stream, Amtrak could easily come to the conclusion that accepting private cars was not worth the effort, even though such revenue, currently exceeding $2,000,000 annually, is virtually all "found money" as there is little incremental cost in adding another car to an extant train. Thus I would urge incorporation into the legislation a section guaranteeing access of appropriately mechanically-approved cars to Amtrak trains.

Clark E. Johnson, Jr., P.O. Box 50116, Minneapolis, MN 55405
(612)-377-2329; Fax: (612)-377-1704.
25 March 1993

Clark E. Johnson is a native of Minneapolis, and a graduate of the University of Minnesota with a BS degree in Physics and an MS in Electrical Engineering.

He has been a entrepreneur all of his life, founding a number of high-tech companies. He is currently an advisor to ARPA (formerly DARPA) on high resolution imaging technologies and telecommunications policy.

He was elected a Fellow of the Institute of Electrical and Electronic Engineers in 1989 for his work in high density magnetic recording. He was selected an IEEE Congressional Fellow in 1988 and worked with Cong. George Brown and the Science Committee during that year.

He is widely published in a number of technical areas and holds 19 U.S. patents.

He has been a private railroad car owner since 1983 and active in a number of organizations supporting and promoting an inclusive transportation infrastructure in the United States. He is currently a Director at Large of the American Association of Private Railroad Car Owners.

25 March 1993

Mr. SABO. I noticed in your written testimony that you also indicated that Amtrak does not do a very good job of working with travel agents and promoting its services?

Mr. JOHNSON. They don't have to, you see, because it isn't market-driven. Believe me, they need to be market-driven.

One of the things that I hope the new President of Amtrak—Mr. Claytor is retiring, as you all know, I am sure. I hope this is a person who understands the need to do marketing, to get out and talk to the people.

In all my travels around, I have never, never seen anyone for the middle management of Amtrak over at 60 Massachusetts Avenue on the trains or out talking to people. They simply do not talk to their customers. They have no idea what the customers' needs are.

I was on a train the other night—and I won't mention what train it is—that left Chicago dirty. The diner was fully stocked and ran out of food early. There was basically no supervision of the help at all.

However, this is not typical. Most of the trains run very well and are very customer-responsive, but it is not uniform. If you ask people who have ridden Amtrak, a number of them will say that they would never do it again, but there is such a big customer base out there that they can keep going through new people all the time.

Insofar as private car owners—and I happen to be a director of the organization representing the people that own private cars—we have historically had a lot of trouble in getting any sort of marketing response from the company. One of the things I am concerned about is that if some sort of long-range funding is put in place, I would certainly like to see something in the legislation that assures access.

Access is always a problem for those of us who own private cars. Amtrak is a monopoly and can treat us quite arbitrarily, and from time to time they do.

Mr. SABO. Obviously we still operate with limited funds to do lots of things we would like to do. In that relative balance, should we be putting more of our money into capital equipment versus operating subsidies for Amtrak?

Mr. JOHNSON. You need to take a long-range view. I think if you put the money into capital equipment, ultimately the operating subsidies would go away because the fixed costs are very high, but they would then be spread over a much larger base.

In addition to that, the maintenance of the old equipment is getting to be very high. Therefore, new equipment is needed, which would reduce the maintenance costs.

In the great scheme of things, Amtrak is very little money compared to the airline industry through the FAA and certainly to people who operate on the highways. It happens to be all in one pot as opposed to being diffused in the system, so it's hard to get a handle on the total costs.

Mr. SABO. Thank you.

Mr. CARR [resuming Chair]. Mr. Johnson, I am intrigued about the private car owners. Do you own a private car?

Mr. JOHNSON. Yes, I do.

Mr. CARR. I have never had the opportunity to talk to somebody——

Mr. JOHNSON. I would like to invite you to take a ride with us.

Mr. CARR. Tell me a little bit about private car ownership and operation. How does it work?

Mr. JOHNSON. A number of people who have a love of trains—as I have—have managed to acquire from the railroads over the last 15 to 20 years surplus equipment. Many of these cars are business cars that were declared surplus as a result of consolidations and mergers. They have been rebuilt mechanically at great expense to meet Amtrak requirements, which are very high and quite proper.

These cars are generally either used by the owners and/or they are leased out for excursions. I can't afford to do this without leasing out the car, and I lease our car out to businesses. We have had a number of honeymoons, wedding parties, 40th anniversary trips, and all sorts of excursions to various places. That is the way that one can afford this. This is a very expensive hobby. It is like owning a boat.

However, from Amtrak's point of view, it has found money because the cost of adding a car to the end of a train I estimate is 10 cents a mile and they charge $1.75. We are probably the only part of Amtrak that really makes money for them, except possibly the Post Office.

Mr. CARR. I don't know very much about this, so excuse the elementary nature of my questions.

When you buy a car, what does a surplused car typically sell for?

Mr. JOHNSON. Something in the neighborhood of $10,000, but that is a drop in the bucket. That is like buying a shell for a boat and now you have to put the engines in.

Mr. CARR. Typically you would find it somewhere in America. Are there people who deal in this?

Mr. JOHNSON. Yes. Amtrak, for example, every once in a while sells surplus cars as new equipment comes on line.

I believe most of the people who own private cars—and there are about 135 that operate on the Amtrak system—most of them bought them from the railroads back about 20 years ago.

Mr. CARR. Where is the refurbishing of the car typically done?

Mr. JOHNSON. There are perhaps a half dozen small shops with maybe three, four, or five employees—truly entrepreneurial enterprises—operating in old roundhouses or other places that have rail service and also overhead cranes that basically refurbish these. Again, it is a hand operation. Everything is done individually and to order.

Mr. CARR. Typically, how much would it cost to refurbish a car?

Mr. JOHNSON. About $250,000 or something in that range.

Mr. CARR. How is your car configured? Is it all just rows and rows of seats?

Mr. JOHNSON. No, I have a very unique car because I used my own design. I am able to sleep 10 people in 5 bedrooms; I have a dining area for 8; and a lounge that sleeps 10; a nice open platform on the back; and a fully equipped kitchen. It is designed to take eight people and a crew of two anywhere in North America. In fact, we were one of the two cars that have been to Guatemala, and we have also been to Great Slave Lake, which is as far north as you can go in the North American rail system.

Mr. Carr. You can take eight and a crew of two?

Mr. Johnson. Yes. Usually the crew consists of a chef and an attendant.

Mr. Carr. When you want to go someplace, you just call up Graham Claytor? How does that work?

Mr. Johnson. They have a special organization called the Special Movements Bureau. They have a form that you fill out and fax it to them or mail it to them. They will sit and ruminate on that for a period of time and then tell you whether you can or cannot go. Basically, it is fairly straightforward.

Mr. Carr. When you are not using it, where do you keep your car? Do you have a storage cost?

Mr. Johnson. Yes. Amtrak charges a lot to store cars on Amtrak property. It is $70 per day to store it with only the attendants on it, and $100 per day if it is used as a hotel. But that isn't a bad deal if you want to park someplace and go to New Orleans at Mardi Gras because $100 per day with eight people is significantly cheaper than staying at a hotel.

I park it off-line in a little town in northern Wisconsin, where I have a heated engine house which I lease space in. If the power goes off and it freezes up, you are not very happy.

Mr. Carr. Do you have your own little locomotive?

Mr. Johnson. No, we operate on either Amtrak or freight railroads.

Mr. Carr. So you have to hire them to come and fetch it?

Mr. Johnson. Right.

Mr. Carr. And they charge you for that, too.

Mr. Johnson. You bet.

Mr. Carr. That could get expensive.

Mr. Johnson. Actually, if it goes on the back of a freight line, it's not so expensive, but it is unreliable time-wise.

Mr. Carr. You put them on freight trains?

Mr. Johnson. Yes. We have been on a number of freight trains over the years.

Mr. Carr. Do you have to notify them many days in advance to do this?

Mr. Johnson. Amtrak insists on 2 weeks notice, which is one of the exasperating aspects of dealing with them. They have all these rigid rules which are arbitrary and capricious that they impose on you. The freight railroads generally will do it in 24 hours.

Mr. Carr. But the freight railroads don't go as fast, I suppose.

Mr. Johnson. They don't go as fast, and their schedules are not particularly reliable. The ride can get kind of bumpy if you are at the end of a long freight train.

Mr. Carr. That is fascinating.

Mr. Johnson. This is an interesting way of travelling. It is a growing interest. Clearly, a number of Americans have an underlying love of railroads and we try to encourage this.

Mr. Carr. I have learned an enormous amount just having you here.

Thank you.

THURSDAY, APRIL 1, 1993.

COALITION OF NORTHEASTERN GOVERNORS (CONEG)

WITNESS

COMMISSIONER EMIL FRANKEL, CONNECTICUT DEPARTMENT OF TRANSPORTATION

Mr. CARR. Our next witness will be the commissioner of the Connecticut Department of Transportation, Mr. Emil Frankel.

Welcome to the committee. It is very nice to have you here.

Mr. FRANKEL. Thank you. It is a pleasure to be here.

I am sorry that I don't have anything as interesting to talk about as a private railroad car.

Mr. CARR. That was fascinating.

Mr. FRANKEL. It is fascinating for me, too. My only hobby is the Boston Red Sox and they are nowhere near as much fun these days.

Mr. CARR. They are not as fascinating. [Laughter.]

Mr. FRANKEL. Mr. Chairman, I am Emil Frankel, the Connecticut Commissioner of Transportation. I am here before you today to represent the Coalition of Northeastern Governors, CONEG.

We have prepared and already submitted to the committee a full statement.

Mr. CARR. Without objection, your prepared statement will appear in the record.

Mr. FRANKEL. I appreciate that. It is my intention to summarize that statement and then make myself available to you to answer any questions.

CONEG, as I am sure you know, is an organization through which the nine northeastern governors have examined shared regional problems, explored new policies, and undertaken cooperative actions for the past 17 years. Transportation obviously is critical to the northeast. It is absolutely the foundation on which the economic renewal of the northeast will be assured and attained, and the environmental well-being of these States will also be achieved.

The region's transportation system is extensive and it is also old. I am sure that is not unusual nor very different from your own part of the United States. Age, heavy use, and severe weather conditions have taken a toll on all our transportation facilities, not only the rail systems but highways, bridges, transit systems, and aviation facilities.

This has required a cooperative effort by our States to develop and apply advanced transportation technologies to achieve such objectives as increased capacity, demand management, and more efficient use of our existing systems. Obviously, the Clean Air Act amendments of 1990 impose greater requirements and emphasize to an even greater degree the need to improve our rail systems. Among those improvements which are essential are continued progress in ensuring high-speed passenger rail service in the northeast.

This is really an opportunity to follow-up, Mr. Chairman, on your March 15th hearing on high-speed rail. CONEG applauds your recent comments about the value of an incremental approach to expanding enhanced high-speed rail service. This same approach, really, has been utilized in the northeastern United States. It has been successful and is really necessary because of the reality of the situation.

Like the Federal Government, we are in a situation of very limited resources which requires that we make better use of what we have. We must rehabilitate and assure the effectiveness and productivity of our existing systems and ensure that all our transportation systems are functioning together in order to serve efficiently the mobility needs and the economic goals of the northeastern United States.

An incremental coordinated approach is really at the heart of the northeastern governors' high-speed rail policies and recent actions. Since 1986, there has been a CONEG high-speed rail task force which has worked to enhance high-speed rail service and to address the problem of congestion at our airports and on our highways in several important ways. Among them, with Amtrak and the Federal Railroad Administration, the task force has examined and tested the applicability of use of equipment options. We are utilizing and improving the existing right-of-way.

I might mention in that regard, Mr. Chairman, as I am sure you know, that unusual in the Northeast Corridor, the right-of-way for high-speed rail between the New York State line and New Haven is owned by the State of Connecticut. I am responsible, through the Connecticut Department of Transportation, to make improvements in that right-of-way, with the help of FTA and FRA and Amtrak. But nonetheless, improvements that we make on our property are really absolutely essential—and I will talk about that in just a minute—to the effectiveness of high-speed rail between Washington and Boston and points north and south.

Metro North, which is a corporation of MTA, similarly owns a portion of the high-speed rail line or corridor in New York State as well.

In this policy of using existing rights-of-way includes obviously mixed uses of the corridor not only for freight but in particular for commuters so that improvements that we make and that Amtrak makes in this line enhances commuter as well as intercity rail service.

Finally, the task force has pursued a course of action which, by relying upon proven technologies, prioritizing coordinated plans for fixed facility improvements and greater institutional coordination among various users, seeks to achieve results at less rather than greater cost.

The northeast States obviously attract millions of business and pleasure travellers annually. We have the busiest air corridor in the United States and one of the most heavily used highway systems in the world. But we have this very unique transportation asset—that is, the capital has already been put into a rail corridor which stretches 456 miles from Washington, D.C. to Boston—and of course, there are major rail lines which connect to this spine to many of our capitol cities and other major cities.

As a result, the Northeast Corridor is a unique mixed-use corridor serving not only mixed intercity rail passengers but commuters and freight traffic.

Seeking to improve this asset, the northeast governors have formed a very strong intergovernmental partnership of the northeastern States, Amtrak, the Federal Railroad Administration, commuters service provides such as SEPTA and MTA, and the Federal Transit Administration.

CONEG has specifically worked with Amtrak and FRA to test equipment options, including most recently the Swedish X–2000 and the tilt train. Also, we have undertaken fixed facility improvements which we have identified, and many of which have been identified in Amtrak's northeast high-speed rail improvement project studies.

We have one such project just underway in Connecticut on our right-of-way. It is the rebuilding of a major rail bridge, a project of almost $130 million in which FTA, Federal highway funds under the flexibility of ISTEA, and State of Connecticut funds will be invested. This bridge is a rail bridge over the Pequonnock River in Bridgeport and must be replaced at substantial cost to the State of Connecticut, otherwise there is never going to be high-speed rail service between New York and Boston. So we in Connecticut and other States as well have certainly made our investment, as I know the Federal Government has as well, in assuring high-speed rail.

Federal/State partnership is a critical ingredient to the success and cost-effectiveness of an incremental approach to achieve high-speed rail. In addition, this incremental coordinated approach to major capital investment programs, as I said, recognizes the budgetary constraints which face Government and operating authorities at all levels. Capital improvements which address both intercity and commuter systems are the subject of the Northeast Corridor master plan currently being developed by FRA in response to a congressional directive in 1992.

As the State in the northeast pursue their individual interests in specific projects, the CONEG members have a common concern in maintaining strong Federal support for the cooperative State/Federal partnership in high-speed ground transportation, including the critical issue of adequate funding. The Congress has really over the last several years taken the lead in that regard.

The CONEG governors welcome recent Federal funding which has enabled the northeast States to move forward with planned passenger rail system improvements. Prompt and complete fulfillment of the Northeast Corridor improvement program remains an essential task and we look forward to working with Congress and the new Administration to achieve the shared goal of improved high-speed rail service in the United States.

Thank you for your time and I look forward to answering any of your questions.

[The prepared statement of Mr. Frankel follows:]

TESTIMONY OF EMIL FRANKEL
COMMISSIONER
CONNECTICUT DEPARTMENT OF TRANSPORTATION
ON BEHALF OF
THE COALITION OF NORTHEASTERN GOVERNORS
BEFORE THE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TRANSPORTATION
U.S. HOUSE OF REPRESENTATIVES

APRIL 1, 1993

Chairman Carr and members of the Subcommittee:

I am Emil Frankel, Commissioner of the Connecticut Department of Transportation. I am pleased to have this opportunity to appear before you to represent the Coalition of Northeastern Governors (CONEG), an organization through which the nine Northeastern Governors have examined shared regional problems, explored new policies, and undertaken cooperative actions for the past seventeen years.

Transportation in all its facets has been and remains a key issue for the Northeastern states' economic vitality and their environmental well-being. In both our densely populated transportation corridors and more rural areas, an integrated transportation network provides essential mobility for citizens and commerce in our states.

The region's transportation system is extensive and operating close to or above capacity in many areas. Age, heavy use, and severe weather conditions have taken a toll on our highways, bridges, transit systems and aviation facilities. Growing demand and the increased safety risks associated with congestion require cooperative efforts by our states to develop and apply advanced transportation technologies to achieve such objectives as increased capacity, demand management, and more efficient use of existing systems. The Clean Air Act Amendments of 1990, which will require most urban areas of the Northeast to take major steps to meet attainment standards, only serve to emphasize the importance of implementing programs, such as high speed passenger rail service, which can divert passengers from congested airports and highways.

CONEG looks forward to sharing specific funding concerns regarding highways, transit, and intercity passenger rail with the Subcommittee later in the hearing schedule when appropriations for these activities are being considered. Today I would like to take the opportunity to follow-up, Mr. Chairman, on your timely March 15 hearing on high speed rail.

The Coalition of Northeastern Governors applauds your recent comments about the value of an incremental approach to expanding enhanced high speed rail service. They believe that a consistent, incremental and coordinated program, with strong federal and state support, is a responsible and effective strategy in order to attain the goal of high speed rail service in the United States.

This approach to high speed rail has been successful in the Northeast because it is based on a strong sense of the reality of the situation: limited resources, better use of existing facilities, and an understanding of the importance of all transportation modes to serving efficiently the region's mobility needs. For example, the goal of diverting air passengers between business hubs in the Northeast to high speed rail would allow existing airports and airlines, which serve the region, to operate more efficiently by opening up limited capacity for longer, more cost effective and fuel efficient flights.

An incremental coordinated approach underlies the Northeast Governors' high speed rail policies and recent actions. Such an approach, we believe, best serves the intermodal standards of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). Since 1986 the CONEG High Speed Rail Task Force has worked to enhance high speed rail service as a way to address the problems of congestion at the region's airports and on its highways in several important ways.

- Along with Amtrak and the Federal Railroad Administration (FRA), the Task Force has examined and tested the applicability for use in the Northeast Corridor of equipment options currently in use in other nations. It has also supported an aggressive program of investment in advanced equipment.

- From the beginning, the Task Force has underscored the importance of using existing rights-of-way in order to achieve cost effective results sooner rather than later.

- The policy of using existing rights-of-way includes acceptance of mixed-uses of the Corridor and the importance of integrating high speed rail with other users, particularly commuters. The Task Force has consistently worked with the commuter authorities in an effort to agree on improvements that would enhance commuter and intercity rail service alike.

- To better understand the overall value of high speed rail to the region, the Task Force has assessed the potential transportation, economic, energy, and environmental benefits to the entire region resulting from implementation of enhanced rail service.

- Finally, the Task Force has pursued a course of action which, by relying upon proven technologies, prioritized and coordinated plans for fixed facility improvements, and greater institutional coordination among various users, seeks to achieve results that are less, rather than more, expensive.

A Unique Transportation Asset

The Northeast states attract millions of business and pleasure travelers annually. With the busiest air corridor in the United States and one of the most heavily used highway systems in the world, the region also has a unique transportation asset - a rail corridor (the Northeast Corridor) stretching 456 miles from the Washington D.C. metropolitan area north to Boston, Massachusetts. Feeding off this spine is a network of major rail routes radiating to Harrisburg/Pittsburgh, Pennsylvania; Albany, New York; Springfield, Massachusetts (the inland route); Atlantic City, New Jersey; and potentially Portland, Maine. The Northeast Corridor (NEC) serves the most densely populated region in the nation. As a result, the Corridor is a unique mixed-use corridor serving, not only intercity rail passenger needs, but major commuter rail authorities and freight railroads.

While much attention is focused on high speed rail, the CONEG Governors recognize that the region's rail infrastructure is an integrated rail system. Routes throughout this system have an ongoing need for right-of-way improvements and additional or new appropriate equipment options. Actions which address the needs of the Corridor's feeder lines contribute to ridership and revenues throughout the entire Corridor. Improved levels of service and increased revenues throughout the regional system benefit both the rail traveler and Amtrak's goals of operating self-sufficiency.

The Political Partnership

Seeking to improve this unique asset, the Northeast Governors have formed a strong intergovernmental partnership of the Northeast states, Amtrak, the Federal Railroad Administration (FRA), commuter service providers, and the Federal Transit Administration (FTA). Working together, this federal-state partnership has helped identify and coordinate needed improvements to service, equipment and fixed facilities in existing rail corridors.

- CONEG has worked with Amtrak and the FRA to test equipment options including the Swedish X2000, currently in revenue service testing along the northeast rail corridor. The X2000 tests build on the 1987 and 1988 equipment tests which were conducted by the FRA and Amtrak at the request of CONEG. These tests, the first passenger rail equipment tests in 35 years, examined options, including tilt technologies, which could reduce travel times when combined with needed right-of-way improvements.

- Fixed facility improvements identified by CONEG, in cooperation with Amtrak and commuter service providers, have been incorporated into Amtrak's Northeast High Speed Rail Improvement Project. Specific high speed rail improvements include grade separation at New Rochelle, New York; center island platforms at Stamford, Connecticut; track and interlocking reconfiguration at New Haven, Connecticut; and capacity enhancing improvements at Penn Station, New York City. These projects, when completed, will directly benefit both intercity and commuter rail services as well as make a major stride in realizing the goal of three hour service between Boston and New York City.

The federal-state partnership, combined with ongoing institutional coordination among all users, is a critical ingredient to the success and cost effectiveness of an incremental approach to achieve high speed rail. Cooperation and coordination can result in a number of benefits, including acceleration of project activity and job creation. In addition, an incremental, coordinated approach to major capital investment programs recognizes the budgetary constraints which face government and operating authorities at all levels.

Capital improvements which address both intercity and commuter systems are the subject of the Northeast Corridor Master Plan which is currently being developed by FRA in response to a Congressional directive in the Amtrak Authorization and Development Act of 1992. The states are anxious to participate in this planning process, and to have the plan be truly a working document which recognizes that sound capital investments are grounded in coordinated operating plans among the Corridor's multiple users. It is essential that these operating plans and capacity needs be reflected in the Master Plan.

As states pursue their individual interests in specific projects, the CONEG members have a common concern in maintaining strong federal support for the cooperative state-federal partnership in high speed ground transportation, including the critical issue of adequate funding. The CONEG Governors welcome recent federal funding which has enabled the Northeast states to move forward with planned passenger rail system improvements. Prompt and complete fulfillment of the Northeast Corridor Improvement Program remains an essential task. In addition, efforts to maintain and improve the full range of regional rail needs (such as advanced dual-powered locomotives) should continue.

We look forward to working with the Congress and Administration to achieve the shared goal of improved high speed rail service in this country. Thank you for your time and consideration.

Mr. **Carr.** Thank you, Mr. Frankel.

Talk to me a little bit more about that bridge in Bridgeport.

Mr. **Frankel.** Well, it is quite an ancient bridge that goes back to long before Amtrak and any public involvement when the State of Connecticut took the right-of-way with the breakup of the New Haven and/or Penn Central Railroad—I can't quite remember when that occurred. I guess it was the Penn Central.

This bridge was acquired. It carries the main line, Amtrak service as well as whatever freight service exists, and importantly is a key element in commuter service between New Haven and New York City.

As you know, the New Haven line—operated by Metro North but owned by Connecticut—carries over 50,000 commuters a day from Connecticut into Manhattan.

This bridge is safe, but it has been moving for the last 60 years or so. It has been shifting with the tide a little bit every year. A few years ago, as a matter of fact, it was shored up to prevent or minimize the movement.

State and Federal authorities have been postponing for a long time what has been known since the 1920s or 1930s, which is that the bridge has to be replaced. We have now undertaken that program.

I can't resist saying that key element in that was ISTEA because we are using a substantial amount of money—in this case, congestion mitigation air quality money in the range of $20 million or so—toward the rebuilding and replacement of that bridge, along with our FTA formula funds and State of Connecticut funds. There are no Amtrak funds, incidentally. No NECIP funds are going into this project, but we expect and anticipate that there will be other NECIP funds which will be going into other projects on our right-of-way.

Of course, in the electrification of the line east of New Haven, between New Haven and Boston, that section up to the Rhode Island line is owned by Amtrak. That is the part in Connecticut that will be electrified and then through Rhode Island and Massachusetts.

So in our case, this bridge, which is about $130 million project—we are anxious to get it going this year because it is going to be one of our major construction projects, creating construction jobs at a time we need them in Connecticut. This whole effort is so important to the economy of the northeastern United States is really an example of partnership between State, a regional transportation authority—MTA in this case—and the Federal Government, and indeed different parts of the United States Department of Transportation and Amtrak. I think that is typical of the kind of coordinated approach that I know you favor, Mr. Chairman.

I think it also represents what we have to do in terms of improving what we have. I don't mean to minimize the opportunities for new technologies, but I think the new technologies have to be incremental. They have to build on what we have. When we don't really have effective high-speed rail in the Northeast Corridor, particularly between New York and Boston, and I think that is the kind of thing we have to focus on, including some very, very big and expensive projects like electrification and the Peck Bridge.

We need to learn how to walk before we run and really get Buck Rogers.

Mr. CARR. We appreciate your endorsement of our approach. We obviously think it is wise.

The Peck Bridge is $130 million. I think you testified that $20 million has been——

Mr. FRANKEL. That includes soft costs as well. We have expended in excess of $25 million. Most of the money that has gone into it so far has been State of Connecticut money. Of the construction money, it is from a variety of sources, including—and I may have to correct myself, but I think it is somewhere in the range of $20 million from the Federal Highway Administration. We will be using a substantial portion of our FTA formula money over the next 3 or 4 years as other contributions. Then the balance will be State money for the construction.

I think the total State contribution will be in the range of $30 million to $40 million of the total $125 million to $130 million project.

Mr. CARR. When do you think you are going to start construction?

Mr. FRANKEL. We have actually started construction. It is in the very early stages of construction. It is about a 4-year to 5-year construction period. But the contract has been awarded and they have really started the very early stages of some demolition work and so forth. We have already begun.

Mr. CARR. Is there going to be a new bridge beside the old bridge and take the old bridge down?

Mr. FRANKEL. That is essentially the case, yes.

Mr. CARR. Are you going to realign the tracks?

Mr. FRANKEL. Not a substantial realignment. It is really going to be right next to the old bridge. It is essentially a new bridge on the existing alignment.

Incidentally, all during this period of time, we have to operate not just the Amtrak trains, but we have to operate a commuter railroad probably well in excess of 250 trains. That has to keep on while this bridge is reconstructed.

Mr. CARR. Is this a two-track bridge?

Mr. FRANKEL. No, it is a four-track bridge. The line where we own the right-of-way is essentially four-track. There are some places where it is three-track, but it is essentially four-track between New York and New Haven.

Mr. CARR. We thank you very much. I appreciate your input.

Mr. FRANKEL. Thank you, Mr. Chairman.

THURSDAY, APRIL 1, 1993.

WITNESS

HON. BART GORDON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TENNESSEE

Mr. CARR. Our next witness will be our good friend from Tennessee, Congressman Bart Gordon.

Mr. GORDON. Thank you, Mr. Chairman.

I have admired your dedication to press forward today, come hell or high water you're going to get this thing done. To try to reward that, I will be brief and make my comments a part of the record.

Mr. CARR. Without objection, your prepared statement will appear in the record.

Mr. GORDON. Mr. Chairman, I come before you today with two of what I think are important and very good requests. The first is a continuation on a project that was started under ISTEA. In my home town of Murfreesboro, Tennessee we have what they call a functionally obsolete bridge that ISTEA authorized some funding to replace. I would like to request a $2.4 million appropriation to complete that job. It is already in the design phase.

One interesting thing of note is that it is on what we call the old national highway, which was one of the older roads in the community and was a main artery during the Civil War. It is adjacent to what is called Fortress Rosecrans, which was the largest earthen fort that was developed during the Civil War. A part of the Fortress, called Brandon Redoubt, is right there at the bridge and was a point that protected both the bridge, the river, and the road.

It is being restored by the Park Service. The State, who is doing the design work on this bridge, discovered an old photograph of the bridge during the Civil War period. They found that at no additional cost they can design a bridge that will be basically a reproduction with a little better products of that old Civil War bridge, which I think is going to add even more to the community and to the historic culture in that area.

The second request deals with an area called Sewart Air Force Base. Sewart Air Force Base was completed in 1942 and used continually by the Air Force as a bomber training school up until 1970. It was the last of the military bases to be closed before this new round of base closings.

Essentially, it sat idle for 20 years. There was very little development there. With the help of this committee, we are starting to provide some lighting for the runways and patching the runways so that it can be productive again.

The configuration of the airport is such that on one side of the taxiways are some old buildings, again left over from the Air Force days, that are being used, but they are not very efficient. To really make this old Air Force base an industrial park and to make it very productive, we need to open up the other side of the runways where the bulk of the property is located. It is all undeveloped, but we can't get in there without an access road.

There is a short point there where an access road could be put in. That puts it about 12 miles from Nashville. It also will connect it into an interstate artery, which is about 1.5 miles from the interstate. So this will mean a great deal for development in this area. It appears that that is going to be about a $4 million project.

I come before this committee requesting both of these worthwhile and needed projects.

[The prepared statement of the Hon. Gordon follows:]

TESTIMONY OF THE HONORABLE BART GORDON BEFORE THE APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION AND RELATED AGENCIES

MEMBERS' AND OUTSIDE WITNESS TESTIMONY

April 1, 1993

Mr. Chairman, thank you for providing me the opportunity to testify before your subcommittee today. I would like to congratulate you on being elected chairman this Congress. I know you have your work cut out for you.

I am interested in obtaining funding for two demonstration projects from the Federal Highway Administration in this year's Transportation appropriations bill.

The first project will fund the completion of a bridge replacement project in my hometown of Murfreesboro, Tennessee which was authorized in the Intermodal Surface Transportation Efficiency Act (ISTEA) (P.L. 102-240). President Clinton has made the full funding of public works projects an integral part of his economic stimulus package. The funding I am seeking is the type which will produce jobs and directly benefit our country's infrastructure. The federal share needed to complete this project is $2,400,000.

The second demonstration project will construct an access road from highway 41/70 to the Smyrna/Rutherford County Airport in Smyrna, Tennessee. Your subcommittee has been very helpful in supporting my efforts to develop Smyrna airport into a functional general aviation facility. The potential for development of the airport is great, but integral to attracting new business is providing direct access to an undeveloped portion of the airfield which is currently unaccessable.

The airport was initially constructed by the Air Force in 1942. It served as a bomber training facility until 1970 when it was decommissioned. The Tennessee Army National Guard has maintained a presence since the early 1970s. The remainder of the airport was managed by the Nashville Metropolitan Airport Authority (NMAA). Precious little was done to the facility until 1991 when the Smyrna/Rutherford County Airport Authority was established and took control of the airport.

Smyrna is a reliever airport for Nashville Metropolitan Airport. Presently the airport handles in excess of 140,000 activities per year. The airport leases hanger and ramp space to commercial aviation overhaul and maintenance companies, an air charter service and several fixed based operators. The General Motors Saturn plant, the Nissan Motor Manufacturing Corporation, and other area industry use the airport for parts shipments.

Over the past decade, Rutherford county was the fastest growing county in Tennesse, and one of the fifty fastest growing counties in the country. With increased population comes business and industrial development opportunities.

The Airport Authority has dedicated significant time and resources to formulating a long range master plan and securing city, county and state support for the development of the airport. I want to assist the Airport Authority in making improvements which will attract new industry and air traffic to the airport. Presently an entire section of the airport cannot be developed because it's unaccessible. The only way to gain access and develop this area is to construct the access road which I am proposing.

As a rapidly developing airport in one of the fastest growing areas of the country, it is essential that the needs of the county and region be met. In order to sucessfully attract new business, and to better serve current users, the airport needs strong federal support. At this time, $4,000,000 is needed for engineering, design, right of way purchases and road construction.

Thank you again for allowing me the opportunity to testify in support of these two projects. I'll be glad to answer any questions you or members of the subcommittee may have.

Mr. CARR. We thank you for coming by. You have always been helpful to this committee in your capacity as a member of the Rules Committee.

I am looking at a map here.

Mr. GORDON. There ought to be some kind of shading for the old Air Force base.

Mr. CARR. This is a pretty small map.

Mr. GORDON. You will see over to the side of that the interstate.

Mr. CARR. How much money are we talking about for this?

Mr. GORDON. We are estimating $4 million. Part of this is land acquisition. We hope that we are going to be able to get that land donated. If so, we will come back to you with a revised and lower figure. We are getting the design work done now. I think it is to the benefit of those folks owning that property to donate it. We are trying to get them to do so.

Mr. CARR. How long a highway is it?

Mr. GORDON. It is just about one-fourth of a mile.

Mr. CARR. Do you have a map?

Mr. GORDON. Yes.

Mr. CARR. That would be helpful.

Mr. GORDON. May I approach the bench? [Laughter.]

Mr. CARR. So pieces C and B are already in existence?

Mr. GORDON. C and B will be access roads that are two lanes. A will be a four-lane directly into the old Air Force base. This will allow us to connect in with the main old road—which is a four-lane between Murfreesboro and Nashville—as well as just about a mile and a half over, which is the interstate that is what we call the Nashville/Chattanooga Interstate.

Mr. CARR. The $4 million will go for A, B, and C?

Mr. GORDON. That's correct.

Mr. CARR. And that is a total of one-fourth of a mile?

Mr. GORDON. A is one-fourth of a mile. There would be four lanes of one-fourth of a mile, and probably approximately 1 mile of two-lane.

Mr. CARR. Okay.

Mr. GORDON. And as I said, we will come back to you before you do a final markup. It is our hope that we can get—a large part of this was land acquisition. If we can get this land donated—which I think is reasonable that it should occur because it will be to their benefit also—then we will be able to reduce this request.

Mr. CARR. Where is the boundary of the airport property? Can you point that out to me?

Mr. GORDON. C and B is the boundary.

Mr. CARR. So this road would be on the alignment of the boundary and presumably that—who owns the airport now?

Mr. GORDON. The airport is owned by the Corps of Engineers and the County of Rutherford.

Mr. CARR. So they will donate the land for C and B?

Mr. GORDON. That's correct. The problem with A land is that the Grace Company purchased this some years back as an investment, but the area was never opened up because there was no access.

Mr. CARR. So it is likely that they might donate that because that would make their land more valuable.

Mr. GORDON. It is crazy if they don't. We intend to approach them in that regard, that it is going to be to their benefit.

My hope is that we're going to be able to reduce this request at least by one-fourth or so if we get all this land donated.

Mr. CARR. When are you going to know that?

Mr. GORDON. We hope that we will have all this before May 1st. When are you planning your markup?

Mr. CARR. We will markup later in May.

Mr. GORDON. We will come back to you with any revisions—this was the recommendation of the State as they do their general projects per linear mile with land acquisition, utilities, and that sort of thing. Once they go a little bit further in their plans—and it is going to be expedited. Once we get a final determination from these property owners, we will have a smaller and more accurate figure for you.

Mr. CARR. Do you know why this project wouldn't be reached by money from the supplemental or money that they have programmed from formula? We need to have documented why this is not being built with the normal highway funds.

Mr. GORDON. We will provide that for the record.

Mr. CARR. We will also need a statement of support from the DOT of Tennessee. Tennessee is getting $57.8 million in its supplemental.

Mr. GORDON. Those are all very reasonable requests and we will see that that is done.

Mr. CARR. Thank you.

Mr. Wolf.

Mr. WOLF. Thank you, Mr. Chairman.

Bart, what would be the value of the donated land?

Mr. GORDON. We simply don't know right now. The Department of Transportation made its estimate for us on typical construction in high-growth areas. They did it basically on a formula of so much per mile. We are going to have to do a better job of getting this estimate more particular for you.

Mr. WOLF. What is the total cost of the project? Is this just for this year?

Mr. GORDON. That would be the total amount. That would be lock key.

Mr. WOLF. What would be the total amount?

Mr. GORDON. Mr. Wolf, $4 million is the amount the Department of Transportation estimates the cost would be, and that is with all land purchases. So if we got the land donated, then we would expect this figure to go down.

This is basically a rough estimate by the Department of Transportation. We need to get you a better and more specific estimate, and we will before your markup.

Mr. WOLF. Thank you.

Thank you, Mr. Chairman.

Mr. CARR. I have no further questions.

If you could, maybe your Tennessee DOT could give us some maps of the surrounding area. We work off the road atlas and it is pretty small.

Mr. GORDON. Certainly. We will get you that.

Mr. CARR. Thank you.

Mr. GORDON. We appreciate having the opportunity to get the process started and will follow up on all your requests.

THURSDAY, APRIL 1, 1993.

WITNESS

HON. BILL RICHARDSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW MEXICO

Mr. CARR. Our next witness will be our friend from New Mexico, Congressman Bill Richardson.

Mr. RICHARDSON. Mr. Chairman, thank you.

I would like to ask unanimous consent to insert my statement in the record.

Mr. CARR. Without objection, your prepared statement will appear in the record.

Mr. RICHARDSON. Mr. Chairman, I would like to stress that what I am requesting are projects that in the past this subcommittee has been supportive of. One is $110,000 to purchase buses and additional equipment, a process that was started last year, for a municipal mass transit system in Santa Fe, New Mexico, and $1.5 million for the acquisition and restoration for the Santa Fe railroad depot and roundhouse in Las Vegas, New Mexico.

Mr. Chairman, I have two other road projects that I think probably will be part of either the supplemental or the ISTEA, so I am just highlighting them and not requesting a line item. So my requests, Mr. Chairman, are modest, meager, and hopefully justified.

[The prepared statement of the Hon. Richardson follows:]

CONGRESSMAN BILL RICHARDSON
TESTIMONY
SUBCOMMITTEE ON TRANSPORTATION
HOUSE COMMITTEE ON APPROPRIATIONS
APRIL 1, 1993

Thank you Mr. Chairman and members of the Subcommittee for the opportunity to testify today on several projects of great importance to the Third District in New Mexico.

SANTA FE RAILROAD DEPOT AND ROUNDHOUSE, LAS VEGAS

The transportation infrastructure in Las Vegas is in need of improvement. Las Vegas is a progressive and rapidly growing town in need of enhanced transportation facilities. The City of Las Vegas would like to acquire and renovate an existing railroad depot to serve as an intermodal transportation facility. This project will provide for Las Vegas' infrastructure needs, improve efficiency, stimulate business, increase development, and enhance the City's beauty.

The renovation of this depot will centralize transportation services and allow for greater efficiency. Amtrak trains, city cabs, bus lines, U.P.S., Western Union, and a tourist coach would run out of this central location providing for better management of increasing traffic flows. Eventually, Las Vegas will add a public transportation system which would also make use of this facility. Because of its history and significance, the depot would also enhance the nearby historic district.

I respectfully request the Committee include $1.5 million for the City of Las Vegas' railroad depot project.

PASSENGER FACILITIES, SANTA FE

The City of Santa Fe recently began limited service of a new mass transit system. When fully implemented, in the spring, it will relieve a congested area. Santa Fe was not designed to handle the crushing amounts of traffic now plying its streets. The City has long sought bus service for its residents and large tourist population to ease an increasingly unmanageable situation.

This transit system would alleviate heavy traffic flows throughout Santa Fe, particularly in the downtown section. The City has undertaken an independent analysis to determine the location for bus stops, shelters, and benches. The City awaits these items to begin full bus service. The city has already hired a transit administrator, drivers, and other key personnel to fully implement service. The technical expertise and community need are present to expedite this project within months.

I respectfully request the Committee include $110,000 for the City of

Santa Fe's passenger facilities project.

ROAD IMPROVEMENT, MCKINLEY COUNTY

The County of McKinley is in dire need of assistance for road improvements. The County currently maintains 549 miles of roads, most of which are unimroved dirt. The County has determined that 125 miles of its unimproved dirt roads are used as primary school bus routes. The County has one of the largest school bus transportation systems in New Mexico owing to the sparsely populated area.

Transportation of students accounts for almost 1.5 million miles travelled by school buses. Many of these routes are in need of repair due to the harshness of the elements and poor construction. The county would like to upgrade these 125 miles of unimproved dirt roads to pavement.

I respectfully request the Committee include $20 million for the County of McKinley's road improvement project.

RELIEF ROUTE, SANTA FE

This project, planned since 1960, has approximately 9 miles left on this 14 mile route. The first 5 mile phase is constructed and in use while the second, and final, stage awaits completion. When finished this project will relieve traffic congestion in the City of Santa Fe by providing a route between I-25 to the south of the city with U.S. 84/285 north of the city. The project will provide arterial relief for congested city streets. In addition to alleviating traffic in the city this project will provide a safer, more direct route from the Santa Fe Municipal Airport and Los Alamos National Laboratories to Santa Fe and points north and south.

Populations north of Santa Fe will benefit from this project as well as businesses and people in and around the Santa Fe area. There are ten interchanges planned for this route to link it to the existing network. The 1987 Federal Highway Administration's environmental assessment found this project to have no significant impact.

I respectfully request the Committee include $20 million for the City of Santa Fe's relief route project.

Mr. **Carr.** Where is Las Vegas, New Mexico?

Mr. **Richardson.** It is about 60 miles directly east from Santa Fe. It is a town of about 15,000. Amtrak traverses it. It is part of the—the objective is to get an intermodal facility there. It is part of the Amtrak route from Los Angeles to Chicago.

Mr. **Carr.** Has Amtrak expressed support for that?

Mr. **Richardson.** Yes.

Mr. **Carr.** And they will be leasing space in this depot?

Mr. **Richardson.** That is going to be negotiated, but they have expressed support for all the communities where Amtrak goes through New Mexico—Raton, Las Vegas, Lamy.

Mr. **Carr.** Where does the Amtrak line go? Does it go through Santa Fe?

Mr. **Richardson.** Lamy is about 15 miles outside of Santa Fe. That is the closest juncture to Santa Fe. Lamy is the stop right before Las Vegas.

Mr. **Carr.** It is small.

Mr. **Richardson.** Very small.

Mr. **Carr.** Microscopic on this map. [Laughter.]

So the Amtrak line goes through Las Vegas and Lamy and then where?

Mr. **Richardson.** Then to Raton, which is up on the northeast corner of the State.

Mr. **Carr.** So then it follows I–25 from Las Vegas to Raton?

Mr. **Richardson.** Right. Then it goes up to Trinidad, Colorado.

Mr. **Carr.** Where does it go westbound from Lamy?

Mr. **Richardson.** To Albuquerque and Gallup.

Mr. **Carr.** So then it basically follows I–40?

Mr. **Richardson.** That's correct.

Mr. **Carr.** Mr. Wolf, do you have any questions?

Mr. **Wolf.** Yes. Thank you, Mr. Chairman.

Is this project authorized? The Santa Fe railroad depot?

Mr. **Richardson.** I believe it is, Mr. Wolf. I believe the three stations in New Mexico are authorized.

Mr. **Wolf.** Do you know what the match would be?

Mr. **Richardson.** The match would be 25 percent local.

Mr. **Wolf.** You were mainly talking about two today?

Mr. **Richardson.** Yes, Mr. Wolf. The second one was $110,000 to purchase buses and additional equipment for a mass transit system in Santa Fe.

Mr. **Wolf.** I have no further questions.

Thank you, Mr. Chairman.

Mr. **Carr.** Regarding the $20 million for the 14-mile project around Santa Fe there, do you have a map in here about that as to where that goes?

Mr. **Richardson.** If you have your map, Mr. Chairman, it is the route connecting Albuquerque and Santa Fe right south of Santa Fe heading south to Albuquerque. It would be that short area there.

Mr. **Carr.** Is it like a Santa Fe bypass? Is that the idea?

Mr. **Richardson.** That's right.

Mr. **Carr.** Similar to my questions with Mr. Gordon, maybe you can get the New Mexico DOT to give us a letter on both the

McKinley County and the Santa Fe bypass as to whether they intend to use any supplemental funds.

In the supplemental, New Mexico will be getting $31.2 million. Obviously, New Mexico is a very large State with a lot of rural roads and it probably won't go very far, but the normal allocation is $148.4 million a year. We need to have a letter as to why they—maybe they could supply us with some maps and a letter as to why the normal funding doesn't reach these projects and why they are important.

Mr. RICHARDSON. We will certainly do that.

Mr. WOLF. Are you also asking for $20 million for the road? You said that the county would like to upgrade 125 miles of unimproved dirt road to pavement. Is that an authorized project?

Mr. RICHARDSON. These are primarily Indian roads. In the ISTEA, there is an amount that is targeted toward Indian roads. I am basically highlighting this project in the testimony.

Mr. WOLF. I understand. This was just informational?

Mr. RICHARDSON. That's correct.

Mr. WOLF. So this is not a priority and is not on the State's list.

Mr. RICHARDSON. That's correct.

Mr. WOLF. Thank you.

Thank you, Mr. Chairman.

Mr. CARR. Thank you, Mr. Richardson.

THURSDAY, APRIL 1, 1993.

SOUTH BEND PUBLIC TRANSPORTATION CORPORATION

WITNESSES

HON. TIM ROEMER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

MAYOR JOSEPH KERNAN OF SOUTH BEND, INDIANA

Mr. CARR. Our next witness is our good friend from another Great Lakes State, Indiana, Tim Roemer.

We are delighted to have you here. I will call upon you to make an introduction. Your testimony will be inserted in the record as full and ask that you summarize in the interest of time.

Mr. ROEMER. I would be happy to do that, Mr. Chairman.

Let me first of all thank you and Mr. Wolf for your attention and your work on this already. I would also like to say that I mentioned this project to you last year and you seemed interested and excited so I am looking forward to giving you even more detail on what this means to our community.

Obviously, you can see that it means a great deal to the community when our distinguished mayor from South Bend, Joe Kernan, comes here. Even though he will not be testifying, he is here to show how important this is to an integrated approach—a new approach—to how we solve some of the problems back home in Indiana that you, by the way, have shown great leadership on.

I have furnished a great deal of minutia, plans for you and reports for you to look at. I think the entire plan is in front of you now. I also have some charts over to my right with pretty extensive maps. I know you have been asking a lot of questions about detail on where the lines go and how this affects the city.

I am here today to ask the committee to consider funding of a project that would bring public transportation in my district into the next century and could provide a model system for other mid-sized communities around the Nation. I know that both you, Mr. Chairman, and the ranking member, Mr. Wolf, come from many of these same kinds of towns—Fairfax and Flint and so forth—that also might learn from this kind of integrated approach if in fact you are not already doing these things.

Also, we're trying to make the tax dollar go further and have more efficiency and more accountability for those limited funds that are out there. The South Bend Public Transportation Corporation, or TRANSPO, as it is known locally, is a municipally owned and operated public mass transportation system serving the cities of South Bend and Mishawaka, Indiana.

The board of directors of the corporation, working in conjunction with various city, regional transportation, planning, and development agencies, have created a concept which addresses many regional and national concerns as well as environmental, infrastructure, and urban resource ideas. We feel that the leadership and assistance of Federal, State, and local governments, combined with the entrepreneurship and innovativeness of the private sector will serve to reverse urban decay and create a truly integrated transportation system.

The concept that we present today proposes to combine four modes of transportation, generally treated as separate and distinct in the past. This would be combined into an effective, efficient, intermodal, low-emission transportation network serving the Michiana region. This concept was an underlying vision of the ISTEA of 1991.

We are requesting your assistance through various funding mechanisms to implement the following ideas:

One, the purchase of a new site on the perimeter of, but not within the central business district of South Bend for utilization as a multimodal facility. The current transpo site is a site that has extremely attractive commercial property value and the mayor is anticipating negotiations with some possible buyers of that property. So we are trying to be proactive with this kind of plan.

Second, a 600-vehicle park-and-ride to be constructed adjacent to the site would accommodate park-and-ride or kiss-and-ride and long-term parking for users of various modes serviced by this facility. Locating a park-and-ride building on the periphery of the current central business district would serve to reduce automobile fuel consumption and hydrocarbon emissions. We also are dealing with a non- attainment status situation in Saint Joseph County where this would be located. This plan would greatly facilitate and help us overcome that non-attainment which we are currently negotiating with the Federal Government.

Third, converting two existing parking garages into park-and-ride located in the heart of the central business district will provide the critical links and circulation system for this area. This system will provide frequent, easily accessible service to major commercial, cultural, and recreational facilities, including the brand new College Football Hall of Fame, the convention center, hotels, and the Federal and local government centers.

As a caveat, Mr. Chairman, we just brought the Hall of Fame to South Bend in competition with a number of other cities. This brand new facility, that will be completed in 1995, will bring approximately 200,000 additional people into our mid-sized town. We are very proud of that. However, this plan helps us incorporate those new people, along with a new ballpark for a single A team that we have located downtown as well.

We would envision utilizing a unique and innovative zero emission vehicle in order to facilitate this and are currently working on this concept as well.

Four, the site and concept also provide the opportunity to replace dilapidated and unsafe Amtrak facilities currently in use. We have just gone through relocating our South Shore railroad line to the airport. We had a great deal of success with this commercially as well and with the added ridership.

The concept also envisions utilization of revenues from parking facilities to fund the operation of the mass transportation system and gives the local transportation agency control over the cost and availability of private automobile parking. The concept would more rightly be called multimodal rather than intermodal. As it seeks to enhance the role of the more economically and environmentally efficient modes of transportation and place them in the proper roles in the community. Achievement of such a balance sets the stage for additional public benefits in terms of urban development—which I mentioned with that property—revitalization of decaying areas, which the mayor will address more in some questions, and enhancement of the local tax base.

This is a $24 million project. We are seeking an appropriation of $5.725 million for fiscal year 1994 and will follow up with a request for $14.815 million for fiscal year 1995.

Again, Mr. Chairman and Mr. Wolf, we appreciate your time. This seems to be a project that not only leads us into the next century in terms of efficiency of resources and funds, but in terms of being innovative with the resources that we currently have.

Again, I appreciate your time and attention to this matter and would be happy to answer your questions and provide you with further detail.

[The prepared statement of the Hon. Roemer follows:]

Testimony, Rep. Tim Roemer (IN-03)

Subcommittee on Transportation

Committee on Appropriations

Rep. Bob Carr, Chairman

April 1, 1993

1

SOUTH BEND PUBLIC TRANSPORTATION CORPORATION

Mr. Chairman, I am here today to ask the Committee to consider funding of a project that would bring public transportation in my district into the next century, and could provide a model system for other mid-sized communities around the nation. This testimony will briefly outline our proposed multi-modal public transportation facility, and here with me today to answer any questions you may have is my friend and colleague Joseph Kernan, Mayor of the City of South Bend, Indiana.

The South Bend Public Transportation Corporation, or TRANSPO as it is known locally, is a municipally owned and operated public mass transportation system serving the cities of South Bend and Mishawaka, Indiana.

The Board of Directors of the corporation, working in conjunction with various city and regional transportation, planning and development agencies, have created a concept which addresses many regional and national transportation concerns, as well as environmental, infrastructure and urban resource issues. We feel that the leadership and assistance of Federal, State and local governments combined with the entrepreneurship and innovativeness of the private sector will serve to reverse urban decay and create a truly integrated transportation system. Such a system would be a major force in helping our area address the major quality of life issues we face. We also feel that the successful combination of these elements will provide an example for other medium size cities in preparing them to meet the challenges of the next century.

The concept that we present today proposes to combine four modes of transportation -- generally treated as separate and distinct -- into an effective, efficient intermodal, low emission transportation network serving the Michiana region. This concept was an underlying vision of the Intermodal Surface Transportation Efficiency Act of 1991.

We are requesting your assistance, through various funding mechanisms, to implement the following items:

1. The purchase of a site on the perimeter of, but not within the central business district of South Bend, for utilization as a multimodal facility. This, when combined with other elements of the concept, will serve to reduce central business district congestion as well as the mileage and the frequent starting and stopping of our current fleet of diesel powered vehicles, thus reducing fuel consumption and hydrocarbon emissions.

2

The relocation of existing temporary facilities represents a significant opportunity to provide a permanent operational base for passenger services of the mass transportation system; improved access to its services for its users; improved air quality in the central business district; safe, clean and convenient intermodal connections for residents and visitors; as well as serving as a stimulus for redevelopment in a historic and important section of our city.

The facility would provide a secure and well-lit environment for users as well as protection from the sometimes extreme weather conditions in our area. This terminal facility would include passenger waiting areas, transportation system and area information, ticket sales and public rest rooms.

Additionally, the site would accommodate approximately 1,500 square feet of retail space, which will provide potential rental income to offset the cost of operating and maintaining the facility.

The projected facility would also include a recharging station for the unique zero-emission vehicles included as part of the Circulator Shuttle service feature of the project. The proposed terminal would include space for and access to AMTRAK or other passenger rail providers with adjacent parking for patrons of the various modes.

2. A 600-vehicle parking garage to be constructed adjacent to the site would accommodate "park and ride," "kiss and ride," and long-term parking for users of the various modes serviced by this facility. Locating the garage on the periphery of the current central business district would serve to reduce automobile fuel consumption and hydrocarbon emissions.

The location of this facility is contiguous to a new and very successful minor league baseball stadium and a redeveloping area known as the Studebaker corridor, which until recently contained the remnants of the Studebaker auto manufacturing plant.

After years of standing vacant, this area is being reclaimed and returned to the private sector. A public investment in this area will be a catalyst to encourage the type of private investment that will create additional jobs and tax revenues for this area and the Nation.

3. Incorporating these new facilities with two existing parking garages located in the heart of the central business district will provide the critical links in a circulation system for the area. This system will provide frequent, easily accessible service to major commercial, cultural and recreational facilities including the new College Football Hall of Fame, The Convention Center, hotels, Symphonic Hall, and The Federal and local government centers.

We would envision utilizing a unique and innovative zero emission vehicle in order to facilitate this. The vehicles and the route structure they traverse would provide residents and visitors with reliable, accessible, convenient mobility in the affected District.

The Circulator vehicle proposed for this role is to be a medium sized, 30 passenger zero- or low-emission vehicle, operating at five-minute intervals along a route placing the majority of the central business district within a one block walk.

As an extension of the Circulator service we are also planning on the acquisition of two existing parking garages for utilization as park and ride facilities, with the street level lobbies to be utilized as additional cover waiting areas for our passengers.

Our study of this concept and projections of revenue and operating costs have led us to conclude that revenues from the existing garages and the garage to be built would be sufficient after five years to pay for the operation and maintenance of the facilities and generate enough excess revenue to operate the Circulator service.

This intermodal facility concept would create the opportunity to combine the transportation facilities and services operated by the public and private sectors into a convenient, easily accessible central location. It would decrease the dependency on the low efficiency private auto as a primary transportation mode.

The site and concept also provides the opportunity to replace dilapidated and unsafe AMTRAK facilities currently in use.

The concept also envisions utilization of revenues from parking facilities to fund the operation of the mass transportation system and gives the local transportation agency control over the cost and availability of private automobile parking. This would enable local responsible officials to control and direct the development of the urbanized area to ensure the most efficient and effective use of land as well as protect and enhance the area environment.

The concept would more rightly be called multi-modal rather than intermodal, as it seeks to enhance the role of the more economically, environmentally efficient modes of transportation and place them in their proper roles in the community.

Achievement of such a balance sets the stage for additional public benefits in terms of urban development, revitalization of decaying areas and enhancement of the local tax base.

The concept means jobs for the citizens of the Michiana area not only in the construction of the necessary facilities, but in the operation and maintenance of these facilities and in the commercial and service sectors necessary to support them.

The approach we are using is comprehensive, combining local, State and Federal resources to dramatically reconceptualize an urban mass transportation system by taking advantage of the impact of a single site multi-modal service.

Mr. Chairman, we are asking for a $24,000,000 appropriation for this important addition to our nation's transportation infrastructure. This project combines modern thinking with future needs and environmental soundness.

I would like to thank you and the Members of the Committee for your time and indulgence today, and your serious consideration of this request.

transpo

STUDY TEAM

TRANSPO COMMITTEE MEMBERS

Special Committee on Transfer Center Relocation

John Sullivan, Co-Chairman
E. W. Reznik, Co-Chairman
Frank Linarello
George Nicholos
William Pemberton

Finance and Administration Committee

George Nicholos, Chairman
Yvonne Dosmann
John Leszczynski
William Pemberton
E. W. Reznik

Transpo Board of Directors

John Leszczynski, Chairman
William Pemberton, Vice Chairman
Jerome Vogel, Secretary
Rhoda Bradshaw
Yvonne Dosmann
Frank Linarello
George Nicholos
E. W. Reznik
John Sullivan

Consultant

The Troyer Group, Inc.
415 Lincolnway East
Mishawaka, Indiana 46544
(219) 259-9976

February 17, 1993

EXECUTIVE SUMMARY

In the past two years, transportation legislation has been signed which will significantly impact how people and goods will move across this country. The Intermodal Surface Transportation Efficiency Act of 1991 and the Clean Air Act Amendments of 1990 combine funding and regulation to encourage expansion, replacement, and alternatives to our transportation systems. Funds have also been set aside to develop new technologies such as intelligent vehicle highway systems and prototype magnetic levitation systems. The goal is to push national transportation into the 21st Century with environmentally sensitive solutions that also reflect stewardship of natural resources.

Transpo and the City of South Bend are making preparations to relocate the Transfer Center from central downtown to a new site. The goal of these planning efforts is to recognize the tremendous opportunity this provides for improvement and further development of our local transportation system. Additionally, we can provide strategies to improve current air quality (South Bend/Mishawaka is currently in the "marginal air attainment" category as identified by the EPA) and provide a demonstration model for alternative fuels for other communities.

A possible solution is to combine four modes of transportation generally treated as separate and distinct into an intermodal, energy efficient, low emission transportation network.

1. A new transfer site on the perimeter of, but not within the downtown. This will reduce the downtown mileage and starting and stopping of diesel buses, thereby reducing both fuel consumption and hydrocarbon emissions.
2. Combining this site with an adjacent new parking garage. Locating the garage on the periphery of downtown reduces auto fuel consumption and hydrocarbon emissions.

3. Tie the new site and new parking garage to two existing parking garages, to the center of the city, the convention center and hotel, symphonic hall, new college football hall of fame, the county-city government center, and the baseball stadium together with a "0" emission "Downtown Circulator" that is convenient, friendly, and dependable
4. Utilize the new transfer site for an intermodal connector. A new station will be provided for Amtrak. Provisions will be made in the bus transfer center for taxi, regional bus carriers, and other related transportation.

We have tied together the auto and parking garages, the metropolitan bus system, a downtown people circulator, and the area train service into an efficient transportation system. It will reduce both urban auto and bus miles, thereby reducing fuel consumption and hydrocarbon emissions. It provided a demonstration "0" emission urban circulator providing a research model for other communities. The system provides for a service of ongoing operating revenue for the circulator through the parking garage income.

Finally, the system would more appropriately be called multi-modal than intermodal. We are also recommending an additional study be done to prepare the system for transportation in the 21st Century. The long term goal to encourage alternate downtown circulation with mass transit can be achieved.

We need to provide a comprehensive approach to combining all local, state, and federal resources to dramatically reconceptualize an urban mas transportation system by taking advantage of the synergistic impact of single site multi-modal service.

MASTER COST SUMMARY

The following is an opinion of probable costs for proposed changes to the existing transportation system and future studies. These estimates are based on 1993 cost data.

Transfer Site Relocation:	$ 1,755,120
Downtown Circulator:	$ 14,016,000
Intermodal Transportation Network:	$ 6,705,300
Future Transportation Study:	$ 250,000
Contingencies:	$ 1,000,000
TOTAL:	**$24,000,000**

SUMMARY - TRANSFER SITE RELOCATION

The relocation of the Transpo Transfer Site represents a significant opportunity for Transpo to provide: a permanent home for transfer services, improved service to passengers, improved air quality in the Central Business District, and potential for intermodal connections. Creation of this central hub for urban transportation facilitates a new beginning for Transpo and the transportation system in South Bend.

Site options were researched and analyzed using the existing transfer site as a model of basic needs. Extensive qualifying criteria were developed to test the potential of each site. Additionally, preliminary design sketches were created for the most viable sites to uncover any limitations imposed by boundary size, shape or orientation to street frontage.

Site C was determined to be the best alternative and exceeded the majority of the criteria established. Combining Site B as an area fro parking adds the needed component for an intermodal center.

The Transfer Center will include:

- a safe, secure, convenient, well lit environment for riders
- provisions for continuous weather-protected bus transfer stops
- short term parking
- a heated facility with toilets, lounge, office and ticket sales
- approximately 1500 square feet of retail space

Additionally Site C will accommodate:

- a downtown circulator system with recharging station
- intermodal station for rail traffic
- additional facility development
- intermodal station on second level
- an adjacent parking garage for 600+ cars.

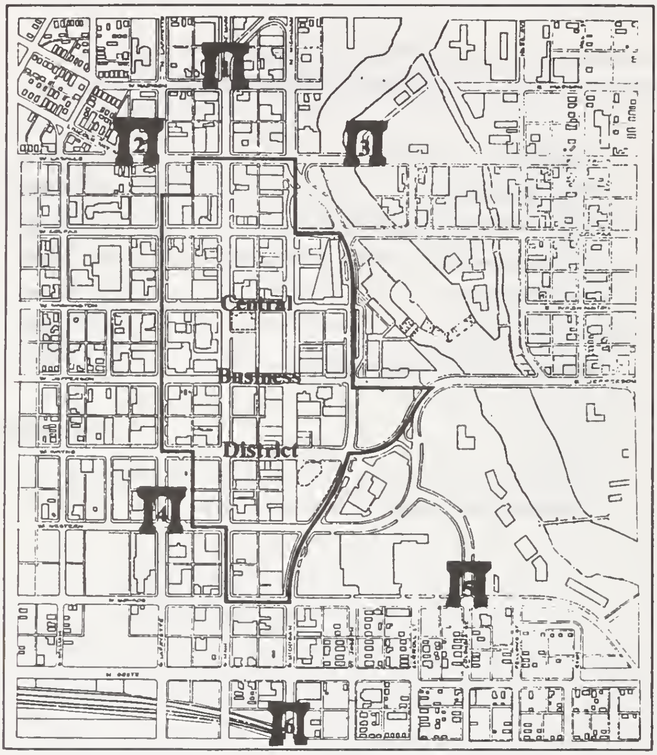
The development of Sites B and C can provide the intermodal network envisioned for South Bend for the safe, convenient, and efficient transport of riders to their destination.

Opinion of Probable Costs

TRANSFER SITE RELOCATION

Purchase property - two parcels [1]:	$ 600,000
Clearing and demolition:	$ 40,000
Site improvements (surface parking, lighting, etc.):	$ 325,000
Construct transfer facility (3500 sq. ft. @ $80/sq. ft.):	$ 280,000
Landscape and shelters:	$ 175,000
Miscellaneous Costs:	$ 42,600
Contingencies, fees, and other costs @ 20%:	$ 292,520
TOTAL:	**$1,755,120**

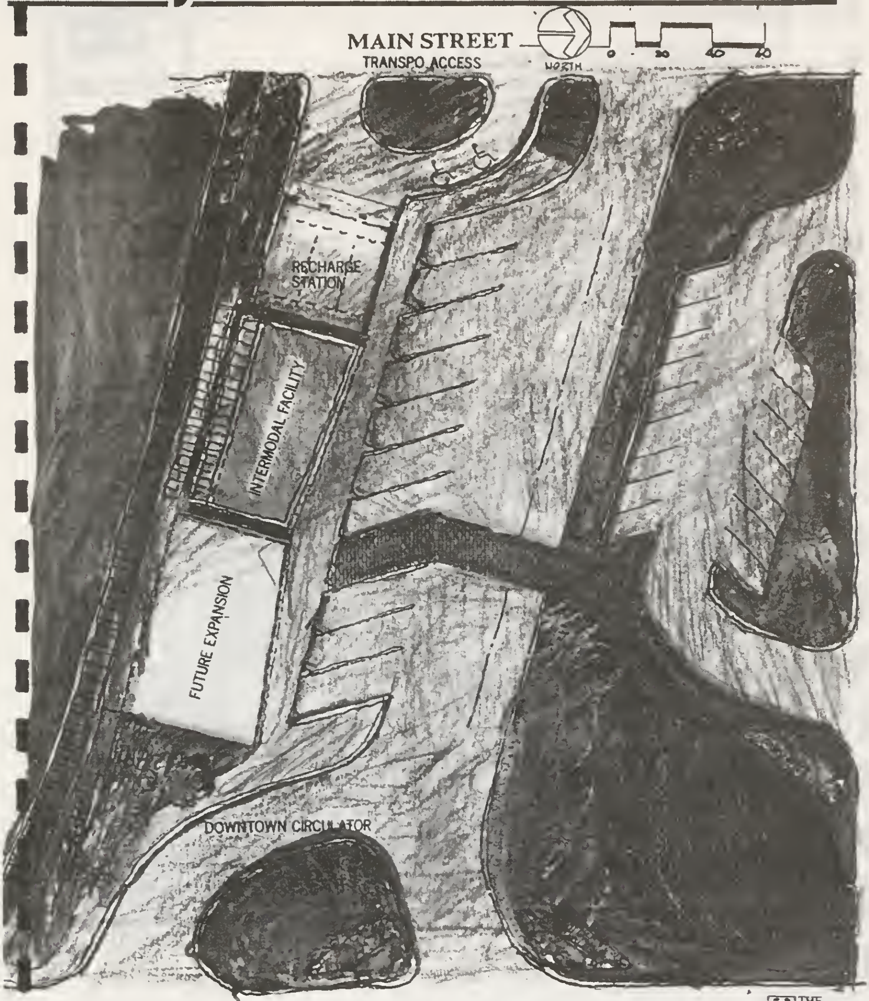
1. Parcels B & C
2. Remainder of costs are from site C development costs.



II. 2 MAP OF CENTRAL BUSINESS DISTRICT WITH PERCEIVED GATEWAYS

1. Southbound - Memorial Hospital on North Michigan.
2. Eastbound - intersection of LaSalle, Lincolnway, and Lafayette Streets.
3. Westbound - LaSalle Avenue bridge.
4. Eastbound - intersection of Western Avenue and Lafayette Street.
5. Westbound - intersection of Monroie Street and Columbia Street.
6. Northbound - railroad viaduct over Michigan Street.

transpo



SITE DEVELOPMENT PLAN

THE TROYER GROUP
415 Lincolnway East
[illegible]
[illegible]

DOWNTOWN CIRCULATOR

SUMMARY - DOWNTOWN CIRCULATOR

Sites being considered for the urban intermodal transportation facility are located near the periphery of the Central Business District. Relocation to these sites precipitates the need to develop a shuttle to provide the downtown ridership with a fast and simple connection from the new site.

The circulator vehicle would be a medium sized, 30-passenger +/-, "0" or low emission bus. Four buses would travel a one-mile route around the Central Business District at five minute intervals with an approximate speed of 10 miles per hour. To increase visibility, circulator buses should be a high contrast color to be identifiable two blocks away.

As an extension of the circulator service, two existing parking garages would be acquired to provide interior waiting areas for shuttle users. A third parking garage is proposed to be constructed near the new transfer site providing free and convenient service to all points of interest. The shuttle would serve all of the following:

- Marriott Hotel
- Century Center
- New College Football Hall of Fame
- County Court House
- County City Government Center
- Federal Court House
- Retail District
- Studebaker Museum
- Morris Civic Auditorium
- Coveleski Stadium

Special service routes could also be considered such as:

- Restaurant route

- Coveleski Stadium
- East bank office park
- Hospital route

Environmental conditions in our city have resulted in a designation by the EPA of "marginal clean air attainment". Compliance with the Federal Clean Air Regulations increase the need to implement programs that address South Bend's air quality. The "Downtown Circulator" is proposed to utilize "0" or low emission vehicles. "0" emission vehicles or the electric buses would provide all of the service from the Intermodal Transportation Center to the downtown. Electric buses can travel up to an eight hour circuit and consume the energy equivalent of four gallons of gasoline. Implementation using electric vehicles in South Bend will represent the only *harsh weather electric demonstration model* in the U.S.. Additional fleet transformation might be implemented based on data compiled through this study. A recharging station is proposed on site to reduce vehicle transfer time for recharging and maintenance.

The three parking garages provide a source of operating revenue to subsidize the costs of the circulator service.

Opinion of Probable Capital Costs

DOWNTOWN CIRCULATOR

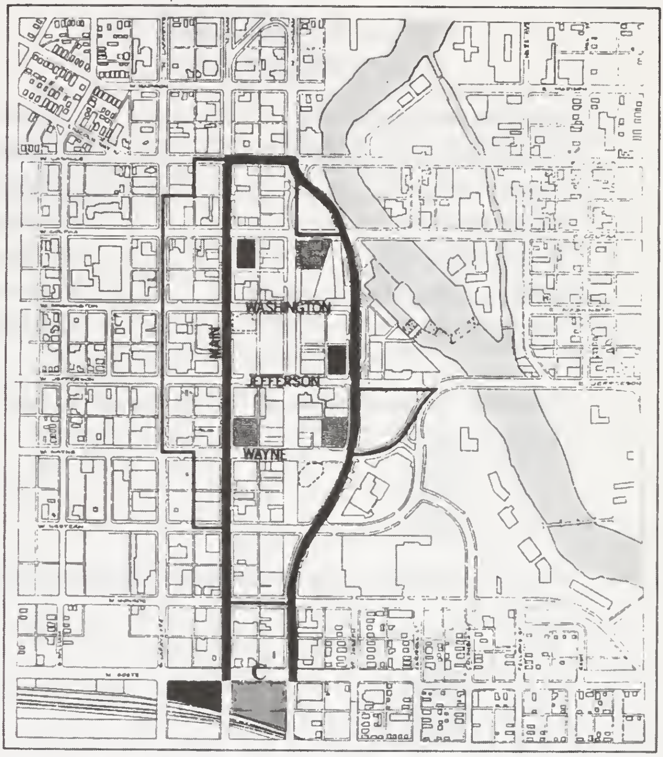
Parking garages (existing):	$ 4,500,000
New parking facility (600 car capacity):	$ 5,000,000
Implement shuttle service:	$ 1,500,000
Recharging station:	$ 150,000
Four-year operating subsidy	$ 530,000
Contingencies, fees, and other costs @ 20%:	$ 2,336,000
TOTAL:	**$ 14,016,000**

Projected Operating Income of Parking Garages by year

Year	1	$ 59,419
	2	80,000
	3	120,000
	4	190,000
	5	290,000
Total		739,419

Projected Operating Costs of Downtown Circulator Service by Year

Year	1	$200,000
	2	230,000
	3	260,000
	4	290,000
	5	290,000
Total		1,270,000



III. 8 SUGGESTED ROUTE OF "DOWNTOWN CIRCULATOR" WITH PARKING STRUCTURES

▨	Transpo transfer site location
■	Transpo owned and operated parking structures
▩	Other parking structures
▬	Proposed "downtown circulator" route

SUMMARY - INTERMODAL TRANSPORTATION NETWORK

Perhaps no other segment of this study represents the opportunity to institute such positive change in transportation and service in our community. Bus and rail travel have traditionally served those in the urban neighborhoods. The potential relocation of Transpo's services will place this service in the heart of the area of highest demand...the city's center.

An Intermodal Transportation Network is quite simply the successful interrelation of a city's various modes of transportation to get people where they want to go in the shortest time. Co-utilization of facilities is one proposal for the Transpo and Amtrak rail services.

Amtrak's current facility is located between the Central Business District and the airport. Service to and from the rail station is inconsistent and passengers at the new facility will enjoy the convenience of multiple transportation options. In addition, the support services at the new site are:

- New rail station and platform
- Highly visible access point
- Bus service, taxi service, United Limo service
- Service to the downtown at 5 minute intervals with the circulator
- Control and security from a second level station
- Utilization of Transpo lower level for waiting passengers
- Potential concession and rental car
- Handicap accessibility at the new facility with direct access to Transpo Access vans

The potential for customer service to improve, expand and grow gives this community the catalyst for change.

Opinion of Probable Costs

INTERMODAL TRANSPORTATION NETWORK

Amtrak relocation feasibility study	$	75,000
Amtrak station relocation and track extension	$	1,850,000
Bridge expansions	$	3,500,000
Miscellaneous	$	162,000
Contingencies and other costs at 20%	$	1,117,550
TOTAL	$	6,705,300

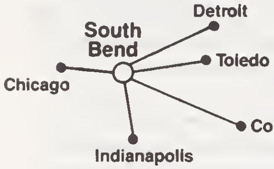
SUMMARY - FUTURE TRANSPORTATION

Future transportation seeks solutions to an ever-growing problem of congestion and delay in our transportation networks. Distributing people with efficient, convenient, and effective transportation is crucial. Development of Northern Indiana is a direct result of its geographic adjacencies to transit waterways and by being at the midpoint of a constant East-West travel corridor. It has become a regional center on the connection lines from Chicago to Detroit, New York, and Washington D.C. Today we need to develop our transportation system as a node of a larger network. South Bend has the potential to implement a comprehensive plan demonstrating a strategic commitment as a regional transportation hub.

The initial portions of this study address the transportation system downtown. It then ties downtown into the area Transpo system and links this system with current rail technology. What finally needs to be done is to start the planning to tie this intermodal network into the next generation of transportation systems. Emerging technologies need to be assessed and options identified. These can then be factored into the current planning so that today's decisions do not limit tomorrow's options.

Opinion of Probable Costs

Future Transportation Study:	$ 250,000
TOTAL	**$ 250,000**

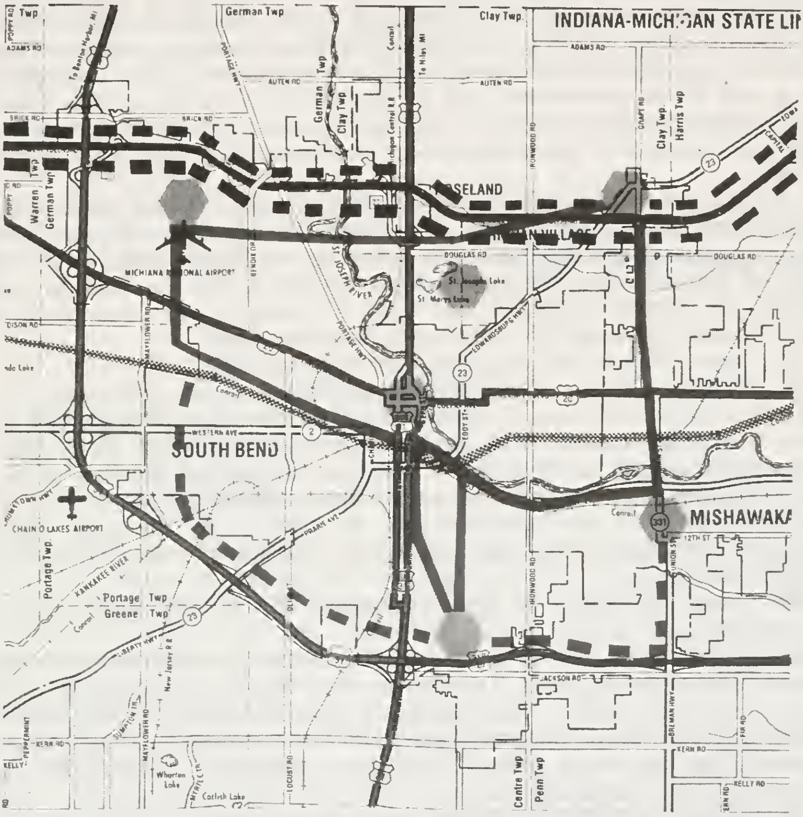


REGIONAL CONTEXT

The City of South Bend, Indiana, with a population of 108,000 is located in North Central Indiana, just south of the Michigan state line. The South Bend area is approximately 96 miles from Chicago, Illinois, 150 miles north of Indianapolis, Indiana and 190 miles west of Detroit, Michigan. As can be seen on the accompanying map, South Bend has a central location in the Midwest.

Transportation to and from the South Bend area is provided by Interstate Highway 80/90, which is an East/West Toll Road through Indiana, connecting Chicago with Toledo and Cleveland, Ohio. North/South interstate highway systems feature I-65, lying west of South Bend and I-69, east of South Bend and I-94, which runs north-northeast between Chicago and Detroit. There are approximately 50 truck lines providing overnight service to cities within a 400 mile radius.

In addition to highway transportation, the area also is served by the Michiana Regional Airport, providing both scheduled airline service and charter flights on a seven day a week basis. The Michiana Regional Airport has recently been expanded and also houses an intercity bus terminal. 81



V. 13 MAP OF POSSIBLE FUTURE INTERMODAL NETWORK

■ U.S. 20

□ ST. JOSEPH RIVER

■ I-80-90

■ FAST TRAIN CORRIDOR

■ NODES OF ACTIVITY

■ U.S. 31

▨ RAILWAY

■ RAPID TRANSIT ROUTES

Mr. CARR. What has Amtrak said about this?

Mr. ROEMER. We are in the process of meeting with Amtrak to get their support and approval for this and cooperation. I can't imagine, given that the success for what has just happened in South Bend with the South Shore that they will not be enthusiastic and very supportive of this. They will be on the second tier of this facility in downtown South Bend. They have been in contact. They will be meeting with us later this afternoon as well, Mr. Chairman. They will be on the second tier of this facility. It will be in a much more attractive area than where their current station is. There are constant complaints now about the location of the current Amtrak facility.

I think this would enhance the safety of those riders, the attractiveness of being able to get rides from the Amtrak station with this intermodal system connecting downtown South Bend with the Hall of Fame, with the convention center, with the motels and hotels—we cannot imagine that they will not be very receptive to this. We are currently working with them on that.

Mr. CARR. Mayor, do you have anything to add?

Mr. KERNAN. As the Congressman mentioned, Mr. Chairman, we have just moved our South Shore South Bend railroad from the facility that they shared with Amtrak out to the airport. They have experienced about a 75 percent increase in ridership. One of the main reasons is because of the move from a facility that is isolated and very difficult and perceived to be unsafe. By bringing them back into the downtown area, we think Amtrak will see significant benefits as well.

Mr. CARR. So where is Amtrak today? Where are they located downtown?

Mr. KERNAN. They are located to the west of downtown about 27 blocks. They are a good 3 miles to the west of downtown at a rather isolated facility. But again, it was shared with the South Shore railroad. Now it is both inefficient for Amtrak as well as an unattractive place for them. They have expressed interest in the past at trying to relocate.

Mr. CARR. But this little chart here, which may be duplicated in my book somewhere, says that Amtrak would pick up master plan feasibility study of $125,000. That is Amtrak funding. But you don't know that they are willing to contribute that.

Mr. ROEMER. We don't know that they are willing to contribute the $125,000 that we are requesting this committee to put up in the fiscal year 1994 request. We do know that Amtrak has shown a great deal of interest in moving from the current site. We are hopeful to be able to work with them. And we think they will be very enthusiastic about this particular proposal, not only in terms of the safety of the riders, but enhancing the commercial aspect of more riders for them and touching those riders directly to the downtown network with this new Hall of Fame that will be coming into South Bend and with the ballpark and everything else that is connected on this circulation system with the bus system that we would have.

Mr. CARR. What is the population of South Bend?

Mr. ROEMER. South Bend is about 105,000 people. Mishawaka, which is directly connected to South Bend, Mr. Chairman, is about 43,000 people. The metropolitan area that we serve, Saint Joseph

County, is about 250,000. We also serve—which we refer to proudly in Indiana as the Michiana area with Indiana and Michigan where we reach up above Saint Joseph County into Michigan and attract the great residents of Michigan for a host of different activities as well.

Mr. KERNAN. That area, Mr. Chairman, that we refer to as our marketplace is about 1 million people.

Mr. CARR. What is the work population of the downtown area itself?

Mr. KERNAN. We have about 15,000 people that work in and around downtown every day.

Mr. CARR. Is the State going to participate in this?

Mr. KERNAN. We have had some preliminary discussions with the State. They are very interested and very supportive. There is a match to this called for of about $3.5 million. That would come from either all local funds or a combination of State and local funds.

Mr. CARR. Mr. Wolf.

Mr. WOLF. Is this an authorized project?

Mr. ROEMER. We are working on the authorization part of that.

Mr. WOLF. So it is not authorized yet.

The total Federal money would be at the end $24 million?

Mr. ROEMER. Approximately about $20 million, Frank. We think that there is going to be roughly about $3.5 million local contribution.

Mr. WOLF. So the match is roughly right at the 80/20 match? Would there be any chance of making the match higher?

Mr. KERNAN. I think that would in large part depend on what the State's ability may be, Mr. Wolf. From a local standpoint, we have looked at the resources that we have, both from operating balances as well as looking at a potential bond issue in order to finance the local match.

Mr. WOLF. Has there been a bond issue or any referendum or any support shown? I am sure that the fact that you are here as Mayor means that there is a lot of support, but has there been an actual referendum or something whereby people can come out to demonstrate their support?

Mr. KERNAN. In Indiana, as part of this kind of a bond process, there is no such referendum. However, since the project has been announced, there has been a great deal of public support and editorial support from our local newspaper.

Mr. WOLF. I was thinking more or less of where people are putting dollars, where they have to show that they are really committed to it from a revenue point of view and not just that they want it built. There isn't any mechanism for that?

Mr. KERNAN. No, sir, there is not.

Mr. WOLF. What is the projected visitation from the Hall of Fame?

Mr. ROEMER. Projected right away would be about between 185,000 and 200,000 people per year. That is a huge amount of people, but we are very proud to bring people in from all over the United States for this new facility. That is something that we need help in terms of integrating and incorporating. We are trying to be proactive with this plan, not to cause increased environmental problems, not to cause increased congestion problems for the people who live and reside in the area, and to meet our non-attainment problem that we are currently in negotiation with EPA officials as well.

I think this just integrates well with all those other concepts. Frankly, we also have a Studebaker museum downtown. We have an exhibit there with dinosaurs for the kids in the community of the roughly 250,000 people in Saint Joseph County that brings in about 110,000 to 120,000 people just for that exhibit during a few month period of time.

We have this ballpark, as I mentioned, on this line if we get the Federal funding for this as well, too.

We have everything right downtown in this small area and this project would greatly enhance the three or four resources I mentioned.

Mr. WOLF. Tim, are you seeking funds from any other appropriations subcommittee?

Mr. ROEMER. On this particular project?

Mr. WOLF. Yes.

Mr. ROEMER. Right now, Frank, we are just coming to you for this particular request. If you have some ideas for me to go before any other appropriations subcommittee, I will certainly do that.

Mr. WOLF. My last question.

When you say the downtown circulator, what does that mean? What are you talking about?

Mr. ROEMER. The downtown circulator would connect the park-and-ride facilities with a transportation system, an electric bus that does not emit pollution—again, so we help on this non-attainment status—that makes a loop through the downtown area connecting not only parking facilities for people that work downtown where we are currently experiencing problems with overcrowded parking garages now, but also will help us integrate these 200,000 people that will be coming in for the Hall of Fame and for the other museums as well.

Mr. WOLF. Would there be a fee for that circulator?

Mr. ROEMER. No, there will not be a fee for the circulator, but there will be a fee for the parking.

Mr. WOLF. Would the other parking lots participate in that? Would there be any sort of taxing district mechanism whereby the businesses along that help? How would you work that?

If they parked at an existing parking lot, they would be able to get on the circulator. Would that parking lot be participating?

Mr. KERNAN. Yes, it would. The two existing facilities—we are looking at having TRANSPO acquire. These would combine with the third facility that is proposed to be built. Charges would be levied for people to park there. Those dollars would be used not only to support the operations of those three facilities, but also to pay for the cost of the circulator.

Mr. WOLF. And no operating subsidy?

Mr. KERNAN. There is an operating subsidy that is part of this request for the first 5 years of the project. After that, there is no operating subsidy.

Mr. WOLF. How much is the operating subsidy?

Mr. KERNAN. That is $530,000 over the course of 5 years.

Mr. WOLF. Thank you.

Thank you, Mr. Chairman.

Mr. ROEMER. Mr. Chairman, in conclusion, this system that Mr. Wolf has pointed out and asked some questions about—it not only connects what we refer to as the Hall of Fame and the museum and so forth, but also the convention center, which hosts about 300,000 delegates a year for different conventions that the city of South Bend hosts from plate collectors to stamp collectors to the host of different people coming in from across the United States. We also have a great deal of traffic in downtown that we are very supportive of and enthusiastic about for Notre Dame home games that this would be very beneficial to as well.

Mr. CARR. Congressman Roemer, it appears that about one-third of the whole project is for parking. Is that right?

Mr. ROEMER. I believe that is correct, Mr. Chairman.

Mr. CARR. Actually, 39.5 percent.

How is it anticipated that that would be operated?

Mr. KERNAN. It would be operated by TRANSPO. They would actually manage the garages. As to whether they would use a privatization for the management of the garages or would do it themselves, I think they are looking at—the city currently operates two of those garages and we are in the process of making that decision right now as well.

Mr. CARR. What kind of parking fees would be collected?

Mr. KERNAN. We average about $2 a day in the downtown area, about $40 per month to park in South Bend. In addition, there would be step fees for different amounts of time that people would be there as well as for special events. We typically will charge a flat rate for those kinds of activities, whether it is a ball game or activities at the convention center.

Mr. CARR. Where would that revenue go?

Mr. KERNAN. That revenue would be used to pay for the operating costs of the garages as well as the operating costs of the downtown circulator.

Mr. CARR. I take it that you have already selected site C. Is that what I get from this?

Mr. ROEMER. That is correct, Mr. Chairman.

Mr. CARR. Then that decision has been made?

Mr. ROEMER. Yes, sir.

Mr. KERNAN. If you look at the bottom of the page on site C, you will see the Amtrak line that is immediately adjacent to the site. That land is available and is outside what we would consider the central business district, but nonetheless very convenient both to downtown as well as some of the other things that the Congressman mentioned, including the ballpark just to the west.

Mr. CARR. Do you own that property right now?

Mr. KERNAN. No, sir, we don't. A part of the costs for acquisition are built into the project costs.

Mr. CARR. What is currently on that parcel of property?

Mr. KERNAN. One of the parcels is currently a parking lot, and the other has some older buildings that were associated with an automobile dealership. The cost of demolition, which again is built in, is only $40,000. The site is largely vacant, Mr. Chairman.

Mr. CARR. And the downtown circulator is what? Is it a bus?

Mr. KERNAN. It would be a series of 30-passenger electric buses that would operate on a 5-minute schedule through the entire downtown area.

Mr. CARR. And there would be no fare box?

Mr. KERNAN. No, sir, not as proposed.

Mr. CARR. Have you looked at what Orlando is doing with respect to including day care in the parking facility?

Mr. KERNAN. No, sir.

Mr. CARR. It is nothing that this committee can effect, but Orlando has a rather intriguing idea. Their proposals are much similar to yours, a parking facility with a downtown circulator, but they have also included space in the parking facility for a contracted-out day care center so that people can drive, park, drop their kids off, and circulate to work. It is an interesting concept.

Mr. ROEMER. If we included that in, Mr. Chairman, would we get more reception from the committee? [Laughter.]

Mr. CARR. Well, I raise it only because I think it is an intriguing idea. It integrates a lot of human need. A lot of people have to deal with child care and getting to work and parking. They rather innovatively put it all together. And they operate a free system that circulates through downtown Orlando.

Mr. ROEMER. If we could, Mr. Chairman, make a contact with you or your staff to find out more about Orlando's facilities——

Mr. CARR. The mayor of Orlando was here the other day. I am sure that mayor to mayor she would be glad to talk to you about it.

Mr. KERNAN. We have about 1,500 square feet of space within the park-and-ride facility. That certainly is something that we could consider.

Mr. CARR. Thank you very much for being here. I appreciate your giving us the documentation that you have. It is great for our reference. All too often we have people who are making requests of us and the documentation we have is pretty skimpy.

Mr. ROEMER. Mr. Chairman, we would do more than that and invite you back to South Bend to take a personal look at this, as well.

Mr. CARR. Thank you very much.

THURSDAY, APRIL 1, 1993.

WITNESS

HON. JIM SLATTERY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KANSAS

Mr. CARR. Our next witness is a friend of mine. We are glad to have you here to testify before us. Congressman Slattery, we will include your statement in the record.

Mr. SLATTERY. Thank you very much, Mr. Chairman and Mr. Wolf. I appreciate the opportunity to visit with you today about a project in Kansas.

To make a long story short, I don't know how much section 3 discretionary grant program money we're going to have, and I don't know whether this committee knows for sure how much you're going to have to actually appropriate in this area, but it is my understanding that the Federal Transit Administration used to award section 3 grants on a discretionary basis to transit operators and State transportation agencies, but in recent years Congress has earmarked these funds for specific line items in the annual appropriations bills. I am here today to request that if that is in fact the procedure used again this year that the two Kansas projects that I am here requesting would certainly be considered as part of that effort.

The Topeka Metropolitan Transit Authority is requesting $10.75 million for the purchases of 30 new buses, and in addition to that some $750,000 for modifications to a maintenance garage and $2.5 million would go to construct the downtown off-street covered transfer facility. That would all be included in the $10.75 million. The State of Kansas is requesting under section 3 also $2 million to purchase 55 replacement vehicles for their rural public transportation program.

To make a long story short, the State is in a situation where this shortfall in money was creating by continuing high demand for section 18 funds for operating assistance. Kansas, under ISTEA was authorized approximately $2.41 million in section 18 funding, but actually received $1.44 million in fiscal year 1993, down from the $1.69 million in fiscal year 1992.

So I will submit for the record my entire statement. But again to make a long story short, I understand that the committee is facing some very tough funding restrictions. I don't know how much money this committee is going to have under section 3 discretionary grants, but depending on how much you have, I would ask that these projects be considered if in fact this committee is going to do what it has done the past few years, to line item these section 3 grants.

I know you are very busy and you all have been sitting here for a number of hours already in trying to sort through all this stuff, so I will be happy to try to answer any of your questions.

[The prepared statement of the Hon. Slattery follows:]

STATEMENT OF THE

HONORABLE JIM SLATTERY

before the

APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

April 1, 1993

Thank you, Mr. Chairman, and Members of the Subcommittee, for the opportunity to testify today on behalf of the Metropolitan Transit Authority of Topeka, Kansas (TMTA), and the Kansas Department of Transportation (KDOT). These agencies are applying for funds under the U.S. Department of Transportation's Federal Transit Administration (FTA) Section 3 Discretionary Grant Program.

It is my understanding that FTA used to award Section 3 grants on a discretionary basis to transit operators and state transportation agencies. In recent years, however, Congress has earmarked these funds for specific line items in the annual appropriations bills.

I support the appropriation of funds in the fiscal year 1994 Transportation and Related Agencies Appropriations Act for Section 3 funds to complete two Kansas projects. The Topeka Metropolitan Transit Authority is requesting $10.75 million for the purchase of 30 new buses. The Kansas Department of Transportation is requesting $2 million for 55 replacement vehicles for their Rural Public Transportation Program.

Topeka Metropolitan Transit Authority

TMTA is working to make public transportation accessible for disabled Topekans. TMTA currently has a fleet of only seven "paratransit" vehicles for disabled individuals. Four of these vehicles already need to be replaced, according to FTA guidelines. In addition, wheelchair ridership in Topeka has gone up over 100% in the past 18 months.

TMTA is requesting $7.5 million to purchase 30 new buses equipped with wheelchair lifts. They are requesting $750,000 for modifications and additions to their maintenance garage. $2.5 million would go to construct a downtown off-street covered transfer facility.

Kansas Department of Transportation

The State of Kansas Section 3 grant request for $2 million would purchase 55 replacement vehicles for their Rural Public Transportation Program. This represents the shortfall between needed replacement vehicles and the number they are currently able to fund. This shortfall was created by continuing high demand for Section 18 funds for operating assistance, leaving little funding available for capital replacement. The shortfall was exacerbated by the marked decrease in fiscal year 1993 (FY 1993) Section 16 and Section 18 Federal fund allocations from the amounts authorized in the Intermodal Surface Transportation Efficiency Act (ISTEA). ISTEA authorized approximately $2.41 million in Section 18 funding for Kansas in FY 1993. Kansas actually received $1.44 million in FY 1993, down from $1.69 million in FY 1992.

Section 18 provider applications in FY 1993 for operating and capital assistance were over $2.7 million. Operating assistance would have to be cut dramatically in order to provide funds for purchasing vehicles. The requested vehicles would provide transportation in primarily rural areas of the state for health care, shopping, education, employment and public services to the elderly, disabled and the general public.

The requested vehicles are all for replacement of existing vehicles with over 100,000 miles on them. This request does not cover any additional (expanded service) vehicles for current subgrantees or any vehicles for potential new grant recipients. This request also covers only backlog vehicle needs, i.e., those that need to be replaced right now. It does not cover those that will meet replacement criteria in FY 1994 nor anticipate any in future years. Every year, there are vehicles in the existing fleet that wear out. The needs reflected in this grant request are above and beyond those that would be covered by funds resulting from passage of the proposed economic stimulus program.

A small amount of the requested funds would be used to purchase computer hardware and software and communication equipment for Coordinated Transit Districts across the state. The 1992 Kansas Legislature passed legislation requiring that rural transit providers form Coordinated Transit Districts to improve the efficiency, effectiveness and coordination of transit services in-state. These Districts are in the process of being formed and the requested funds would purchase equipment for the Districts to allow them to begin operations in FY 1994.

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I believe you have already received written copies of my testimony which include statutory language suggested by TMTA and KDOT.

Thank you again, Mr. Chairman, and Members of the Subcommittee, for this opportunity to testify on behalf of my constituents. I will be happy to answer any questions.

Proposed Statutory Language

We request that the two above projects be named separately, if possible, and have provided language for each below for inclusion in the FY 1994 Appropriations Bill.

Department of Transportation and Related Agencies Appropriations Bill - Federal Transit Administration

Kansas STATE OF KANSAS. - No later than April 30, 1994, the Secretary shall negotiate and sign a grant agreement with the State of Kansas for $2,000,000 for fiscal year 1994 made available under section 3(k)(1)(C) of the Federal Transit Act to provide for the purchase of 55 vehicles, 14 computers and printers, and 14 communication equipment, for public transportation services in Kansas.

Kansas TOPEKA BUS AND BUS FACILITY PROJECT. - No later than April 30, 1994, the Secretary shall negotiate and sign a grant agreement with Topeka Metropolitan Transit Authority for $10,750,000 for fiscal year 1994 from funds made available under section 3(k)(1)(C) of the Federal Transit Act to provide for the purchase of 30 buses accessible to and usable by individuals with disabilities and the general public, improvement of the bus maintenance facility, and the building of a downtown off-street covered transfer facility.

Mr. Carr. Thank you very much for the brief overview. We are happy to sit here and find out what America needs. We are glad to have you tell us the Kansas component of that.

Do you have any idea what the vintage of buses are now in Topeka?

Mr. Slattery. Yes. The buses that need to be replaced need to be replaced because they are not the kind of buses that can accommodate the growing need for handicapped transportation in the community. The wheelchair ridership in Topeka has gone up over 100 percent in the past 18 months. The vehicles they have now will not adequately provide for the transportation of this clientele.

To make a long story short, they need to purchase the buses that they are requesting to accommodate the handicapped in the community.

Mr. Carr. You might have the Metropolitan Transit Authority sending us a letter telling us the average age of their current buses.

We have a problem that the ADA put enormous pressure on transit systems all over America. We want to help them out. On the other hand, some of the transit systems in America have fleets that are not all that old. So we have to consider not only the cost of the new buses—the ADA accessible buses—we have to consider the cost of older but still useful life available buses that are still operating out there. If we just throw them all away, it would cost the taxpayers an enormous amount of money.

Mr. Slattery. Mr. Chairman, the proposition that we're looking at is really interesting because the buses they currently have have between 100,000 and probably 300,000 or 400,000 miles on them. Some of them are still operational, but the problem is that they are going to come into compliance with ADA and existing laws requiring handicapped accessibility.

The question is, Do they spend a lot of money on existing buses to modify them knowing that they are probably only going to get a couple years of life out of them before they are in the junk heap, or do they buy new buses? The cost of conversion is not cheap, as the chairman knows.

So that is the kind of choice that transit authorities all across the country are in the process of making. It is like deciding whether to put a new engine in a car that has 100,000 miles on it or trade it in when you are facing an obligation to have dependable transportation.

Mr. Carr. I was just handed some information that would indicate that the entire Topeka Transit Authority bus fleet—owned or leased right now—is 38 buses. Is that right?

Mr. Slattery. I think that is correct.

Mr. Carr. I don't have a good concept for how large Topeka is. How many people live in Topeka?

Mr. Slattery. About 140,000.

Mr. Carr. That doesn't seem like very many buses.

The average fleet age, according to the 1992 transit passenger vehicle fleet inventory supplied by the American Public Transit Association is 5.8 years. The authorization basically says that you're supposed to keep your buses for 12 years. We in Michigan know that given salt on the roads and a few other things and northern climates, buses sometimes don't last 12 years, whereas you can go to Bill Richardson's area in Albuquerque and a bus well maintained could last 15 years.

So that is not terribly persuasive to us. We have to look at what the authorization committee has said.

Mr. SLATTERY. The other criteria I think they look at is how many miles are on the buses. I think 500,000 miles is—

Mr. CARR. They don't really look at the mileage that much.

Mr. SLATTERY. Really? I thought it was 500,000 miles or 12 years.

Mr. CARR. Just the age.

It looks as if about 25 of the buses have been purchased since 1987. They are flexibles. Then it looks like everything else is rather hodgepodge going back to 1974.

Mr. SLATTERY. That's correct. The bottom line is that of the total fleet that is there, there are about maybe 10 or 12 of the buses that have in excess of 500,000 miles on them. A few of these are more than 12 years old. But my understanding was that when you look at the replacement, it is either the 500,000 miles or 12 years. Obviously, you could have a bus out there that is 20 years old that may have 150,000 miles on it and it is not in as bad a condition as one that is 5 years old that has 600,000 miles on it.

Mr. CARR. It would appear just on the surface that about 13 of these buses would be candidates for serious replacement.

Mr. SLATTERY. Then as I indicated, the compounding problem here is, If you have a bus now that you have to modify to comply with other provisions of the law regarding the law, do you make that investment in modification knowing that you are only going to get a couple years out of it, or do you go and buy a new bus? That is the kind of tough choices these transit authorities are now involved in making. We're facing that in our community and across the State.

Mr. CARR. Indeed, they do.

Has Kansas ever done a Kansas-wide bus procurement? Many years ago Pennsylvania used to buy all the buses and then give the buses to the various properties. Kansas has never done that?

Mr. SLATTERY. I don't know.

Mr. CARR. Mr. Wolf, do you have any questions?

Mr. WOLF. Thank you, Mr. Chairman.

Thank you, Jim, for coming before the committee.

I have a car that has 95,000 miles on it and the transmission is going. I am trying to make the same decision as to whether to get a new car or a new transmission.

Mr. SLATTERY. I have a similar vehicle, but it has more than a transmission problem.

Mr. WOLF. You raised a good point here. We have earmarked all of these. We really haven't given FTA very much discretion. Do you have any idea what FTA thinks about the project?

Mr. SLATTERY. We have just been advised through FTA that if we really want to be in line for a grant, we better get it line-itemed. They are not even going beyond that. They are not even hardly looking at these unless they are line-itemed. It is my understanding that even after they are line-itemed, if there isn't adequate money there, then there is still a question as to whether you will get funding. But it is my understanding that you have to get line-itemed to really be considered now. That is my purpose in being here.

Mr. Wolf. I am very sympathetic. I was just curious as to whether FTA said that this was really a good project.

I tend to think it may not be a bad idea to give FTA a little bit of money so they could do some of these more meritorious ones that perhaps they don't have a law firm lobbying for them. There may be some good ones out there that are not being addressed. I am sure your's is in that category.

I was just wondering what FTA did think about it. Thanks for coming before this committee. I appreciate it.

Mr. Slattery. I appreciate the committee's time. You all have a difficult task to sort through all these requests and do what is in the best interest of the country. I appreciate your work.

Mr. Carr. I think it is no secret that this Member of Congress is partial to buses. Of course, 70 percent of the transit riders in America ride on a bus, and yet buses under ISTEA and the rest get only 30 percent of the money. That is something that I think Congressman Sabo, Wolf, and I have been working on for a long time. We'll try to turn it around, and hopefully it will help Kansas out.

Mr. Slattery. Thank you very much, Mr. Chairman.

Mr. Carr. Thank you.

Thursday, April 1, 1993.

WASHINGTON STATE PROJECTS

WITNESS

HON. MIKE KREIDLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. Carr. Our next witness is Congressman Mike Kreidler from the State of Washington. It is nice to see you. Welcome to the committee. We have your statement and will include it in full in the record and ask you to summarize it.

Mr. Kreidler. Thank you very much, Mr. Chairman.

Understanding that following the conversations that took place with previous persons testifying here, I would like to bring up buses, too, and am pleased to hear that you have a distinct interest in that area. Seattle Metro is involved in making a major acquisition of natural gas fueled buses, which will be the largest purchase in the country of such buses. The Puget Sound area is one of those areas that has had a record of having clean air, but it is quickly approaching the degradations that affect major urban areas throughout the country. This is an opportunity to have buses that obviously will operate much more appropriately in relation to air quality standards.

They have an initial purchase of 360 buses going to 810 buses by the end of the decade. The cost for purchasing these buses over standard buses would be about $60 million. In part, it is because of having to build the refueling facilities and the like in conjunction with the standard costs that you must include in the total package of what is going to be done. For the coming fiscal year they are seeking $15 million in appropriations. I don't know if this is one where they have made application at this time to FTA, so I can't give you an indication on the current status.

The other two items I want to mention concern highways. This is a cross-base highway, which is in the State of Washington. There is a connection between Interstate 5 and State Route 7, otherwise known as Pacific Highway. This goes between McChord Air Force Base and Fort Lewis in the south portion of Puget Sound. This is an important aspect to relieving significant traffic congestion and significant problems with safety concerns and traffic accidents, and so forth.

This is also an area where a considerable amount of industrial development is taking place and the problems of having commercial access. There is also a connection here because unlike many areas of the country that are having problems with base closures, the problem in this case has been that they are expanding bases because it is one of the major training facilities. It is the number two and closely becoming the number one training facility for the United States Army. As a result, they are seeing a significant increase in military personnel. This represents a further problem with congestion and the like that this highway would facilitate rather considerably.

The other project is State Route 167, which is a tie-in with Interstate 5 and State Route 509. This is part of a cascade corridor that was envisioned back in the 1950s that has never been completed. This would connect two major freeways in such a way that would allow a considerable amount of commercial activity from the Port of Tacoma to be able to come off of I–5, which is one of the more congested freeways in the country, particularly south of the city of Seattle, and allow them to go off onto the Valley Freeway and reduce considerably the pressure right now on Interstate 5.

Both of these projects are ones that I trust would come to completion with full funding of ISTEA. I know that you have tough decisions to make, Mr. Chairman. I came before you to certainly urge that the committee move forward with the President in recommending that we do have full funding of ISTEA.

I would hope that that funding would take place and these projects would be in line and be worked at the local level as ISTEA would dictate.

Thank you, Mr. Chairman.

[The prepared statement of the Hon. Kreidler follows:]

Statement of Representative Mike Kreidler
before the
House Subcommittee on Surface Transportation
April 1, 1993

Mr. Chairman and members of the Subcommittee: I appreciate the opportunity to come before the Subcommittee and talk with you about three proposed projects that are of great importance to my district and Washington State.

The first project concerns an intial purchase of 360 natural gas buses for the Seattle area. This purchase would be followed with continuing replacement of retiring buses with new natural gas buses, resulting in a total fleet of 810 natural gas buses by the end of the decade. Our region has a long commitment to environmental preservation and progressive energy policies. Toward this goal, the Seattle area and its mass transit authority, Seattle Metro, are prepared to invest in significant utilization of natural gas. Such a move benefits not only our region, in cleaner air and enhanced mobility, but it also contributes to our nation's overall energy independence and produces jobs for U.S. bus manufacturers. An order for 360 buses would be the largest ever placed in North America, and would give U.S. manufacturers and component suppliers good market incentives to refine natural gas bus technology and reduce unit costs.

However, innovation is rarely inexpensive. It will cost Seattle $60 million more to purchase cleaner burning natural gas buses than standard gas buses. That is why Seattle Metro is seeking $15 million in Section 3 grants in Fiscal Year 1994 for the purchase of these buses and the accompanying regional system of natural gas fueling stations. I believe these are the kinds of investments we need to make to ease transportation gridlock, to promote an energy efficient future, and to assist emerging alternative technology industries.

The second project I want to bring to your attention is the proposed construction of the "Cross Base Highway," a new highway that would connect State Route 7 and Interstate 5. The title "Cross Base" comes from the corridor's route -- which takes it across two bases, Ft. Lewis Army Base and McChord Air Force Base. I believe this project would provide several important benefits:

-- It would relieve numerous traffic congested areas, particularly on SR 512, which often experiences dangerous backups onto Interstate 5;

-- It would improve access to the Port of Tacoma's Frederickson Industrial Area, where the Boeing Company has recently opened a facility with 250 employees, with plans to expand to a potential 11,000 employees; and

-- It would improve access to McChord AFB and Ft. Lewis Army Base, which are slated to receive 5,000-12,000 additional personnel due to re-deployment.

Clearly, this project is critical to our region's ability to deal with future growth and development. It is also important to note that the "Cross Base" would be adaptable to retrofitting for HOV lanes when such a facility is constructed on I-5 and that bicycle paths are planned in coordination with the development of Ft. Lewis. Pierce County is currently developing the EIS which is scheduled for completion by the end this year. The total project cost is estimated at $59.9 million. The portion of the project cost in FY '94 would be $5.6 million for preliminary engineering.

The last project I would like to mention is the proposed extension of State Route 167 in Pierce County to connect with Interstate 5 and State Route 509. This extension would complete a freeway system, often referred to as the "Cascade Corridor," planned over 30 years ago. As with "Cross Base," the extension of SR 167 would tremendously benefit the economy, environment, and commuters who are subject to congestion and safety hazards caused by the high number of trucks traveling this route.

Over 20% of the traffic currently utilizing the 167 arterial consists of trucks. This high percentage results from the transport of goods from the Port of Tacoma to the industrial areas of the cities of Renton, Kent, and Auburn. The City of Puyallup has recently joined the other "Cascade Corridor" cities and developed an industrial area that is served with water and sewer. However, Puyallup and the industrial area will not be able to prosper economically without a direct connection with I-5. The first tier draft EIS has been completed for the project. The total project cost is estimated at $289 million. $8 million in FY '94 would provide for the completion of a design report, right of way plan, and the balance of EIS work. This is also one-third of the $24 million for preliminary engineering, hence reducing that future cost down to $16 million.

Mr. Chairman I have included with my testimony numerous letters of support for these projects. I believe these letters best present the needs for the projects I have mentioned. Furthermore, I have included maps, project descriptions, and analysis provided by the State Department of Transportation. On review of the material I do not believe there is any doubt about the merit of the projects.

Mr. Chairman, I am aware of the tough decisions this committee must make, given the competition for financial resources and the many needs around our country. I ask, on behalf of my constituents, that the committee include in its budget enough money so that these projects can go forward.

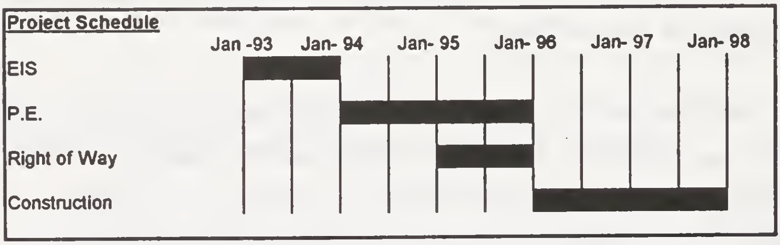
###

CROSS BASE HIGHWAY

Project Description:

This project will provide a connection from Pacific Avenue (SR 7) in the vicinity of 176th Street to Interstate 5 (SR 5) in the vicinity of Tillicum. It will provide a more direct link with Interstate 5 for residents of Spanaway and adjacent South County communities, and improve access for military base employees to and from residential areas to the east and west. It would also provide some relief from projected growth on the Puyallup Freeway (SR 512) and on Pacific Avenue north of 176th Street. Pierce County is the lead agency for this project which is currently in the Environmental Impact Statement/Corridor Adoption stage. This project is not funded beyond the EIS.

Expected Project Expenditures (1993 dollars)	
Preliminary Engineering	$5.60 Million
R/W	$2.40 Million
Construction	$51.90 Million
Project Total	**$59.90 Million**



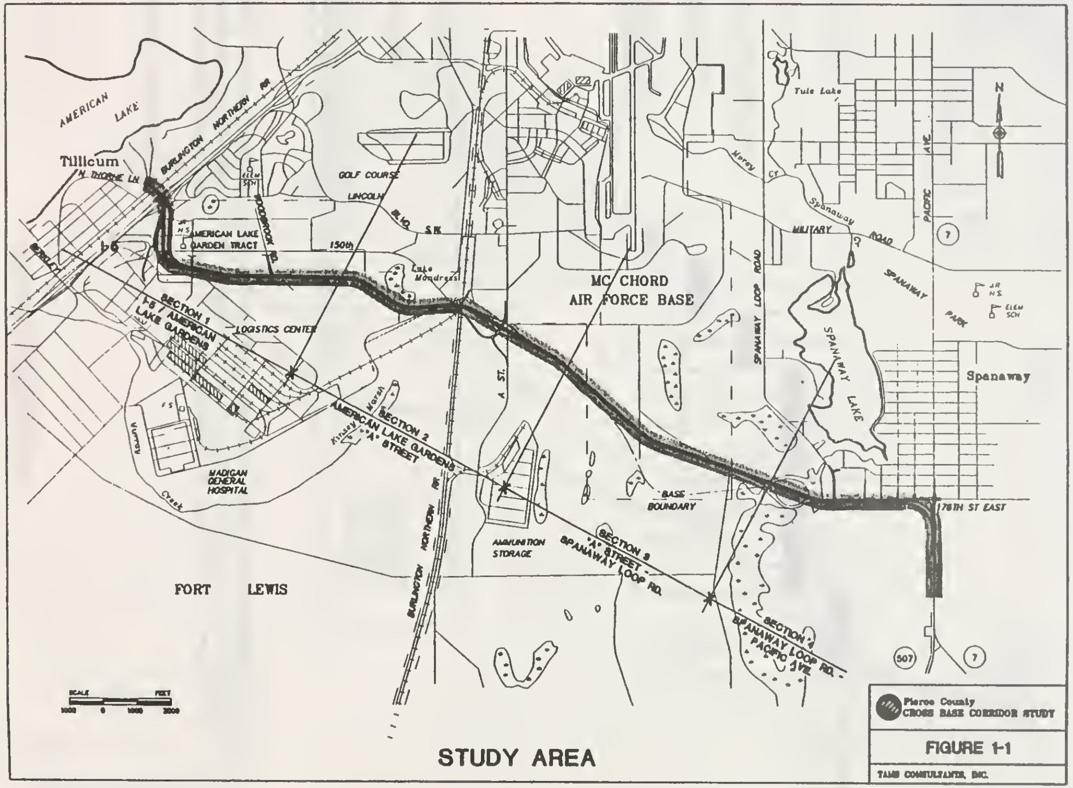


FIGURE 1-1

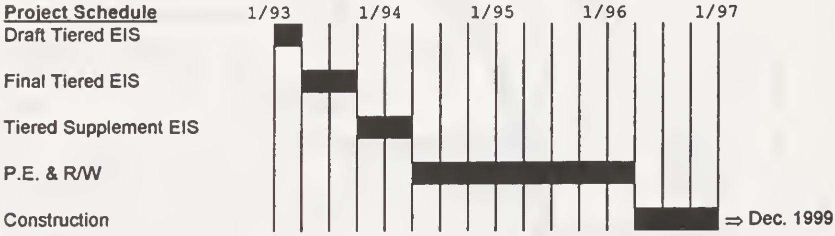
STUDY AREA

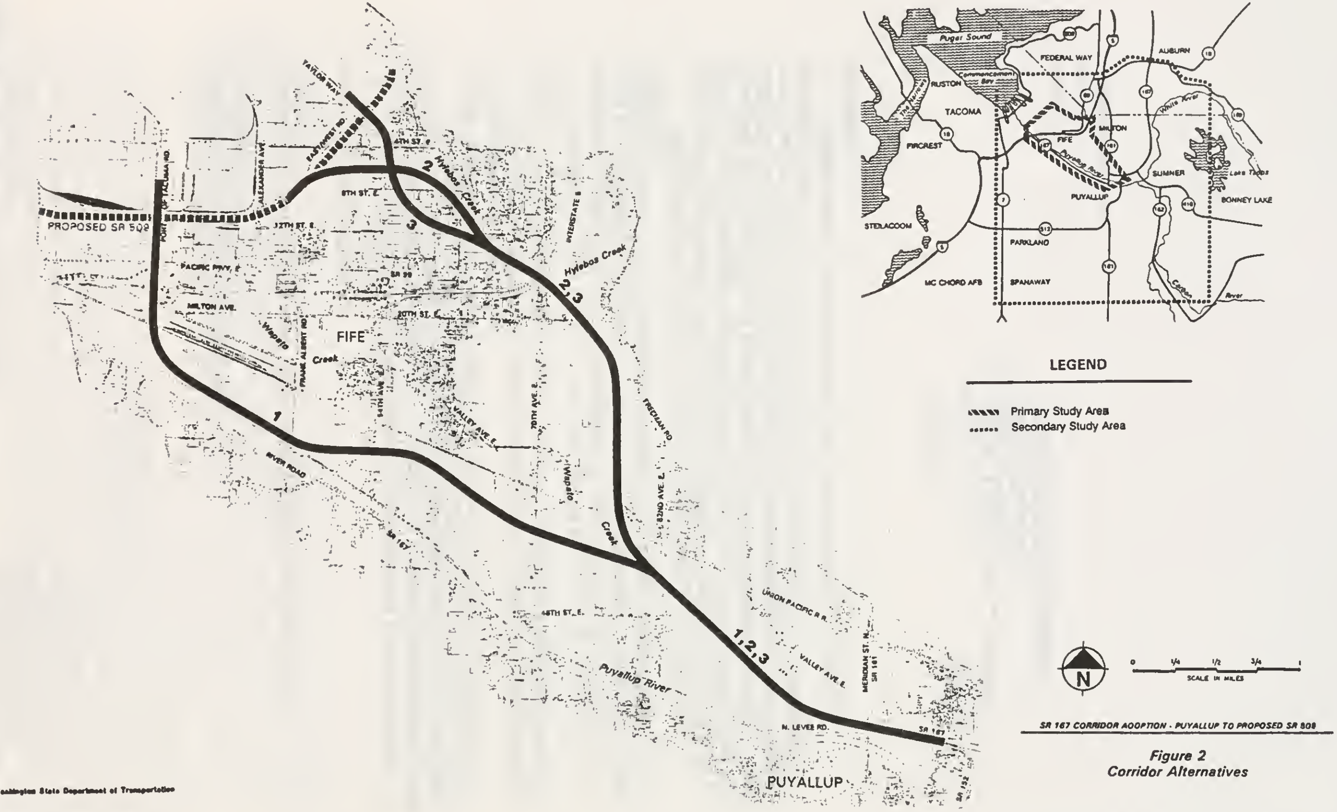
SR 167 EXTENSION

Project Description:

This project will provide a key connecting link in the regional freeway system. It will tie the Puyallup termini of the SR 167, SR 410, and the SR 512 freeways to the I-5 corridor, the Port of Tacoma, and the proposed SR 509 expressway. This section of SR 167 was initially planned in the 1950's.

Expected Project Expenditures (1993 dollars)	
Preliminary Engineering	$24 Million
R/W	$35 Million
Construction	$230 Million
Project Total	**$289 Million**





SR 167 CORRIDOR ADOPTION - PUYALLUP TO PROPOSED SR 509

Figure 2
Corridor Alternatives

DRAFT ENVIRONMENTAL IMPACT STATEMENT

Washington State Department of Transportation

HNTB HOWARD NEEDLES TAMMEN & BERGENDOFF ARCHITECTS ENGINEERS PLANNERS

Washington State
Department of Transportation
Duane Berentson
Secretary of Transportation

District 3 Headquarters
5720 Capitol Boulevard, Tumwater
P O Box 47440
Olympia, WA 98504-7440

(206) 357-2600
Fax (206) 357-2601

March 24, 1993

Congressman Mike Kriedler
1535 Longworth House Office Building
Washington D.C., 20515

RE: Requested information about "Cross Base Highway" and "State Route 167 Extension"

Dear Congressman Kriedler:

Pierce County is currently developing the Environmental Impact Statement (E.I.S.) for the "Cross Base Highway". This E.I.S. is scheduled for completion by the end of 1993. This project is funded only through completion of the E.I.S. at this time.

As you are aware this regional link between State Route 7 and Interstate 5 will provide improved access to the Frederickson Industrial Area as well as the McChord Air Force Base and Fort Lewis.

The cooperation that has occurred between federal, state and county agencies to make this project come together attests to the mutual benefits to be realized from this project.

The first tier draft E.I.S. for "State Route 167 Extension" is complete and is pending federal approval. We expect approval by April 1993 at which time we can select an alignment and proceed with a supplement, and final tier, of the E.I.S. to be completed by April 1994. This project is funded only through completion of the E.I.S. at this time.

This extension will complete a regional transportation network for both commerce and commuters. This project will enable the "High Occupancy Vehicle" (H.O.V.) lanes to be linked between Interstate 5, State Route 167 and State Route 512. Extending State Route 167 will benefit freight movement by linking Interstate 5, State Route 509, State Route 167 and State Route 512. State Route 509 is a fully funded current project which ties Tacoma to the Port of Tacoma which will be completed by the end of 1996.

Please contact me or my staff at (206) 357-2630 if you need additional information.

Sincerely,

PJ Hammond

Paula J. Hammond
Transportation Planning Engineer

PJH:cmcd
cc:FILE
H:\WINWORD\congress.doc

INTRODUCTION

The FHWA in cooperation with the Washington State Department of Transportation is preparing an Environmental Impact Statement (EIS) on a proposal to conduct a corridor location study for State Route (SR) 167 in Pierce County, Washington. The proposed action would identify a preferred location for a freeway from the existing southern terminus of the SR 167 freeway at Meridian Street in the City of Puyallup to proposed SR 509 between the cities of Fife and Tacoma, Washington a distance of up to six miles.

A freeway built in the corridor recommended by this project would complete a freeway system planned over 30 years ago and would improve access between the Port of Tacoma and the warehousing and distribution centers of the SR 167 Corridor (Puyallup to Renton). The project scoping process has identified three corridors for new freeways in addition to a no action alternative.

The intent of the project is to perform a corridor level EIS to the extent necessary such that WSDOT may purchase right-of-way in the preferred corridor as funds are available. WSDOT will perform a reevaluation of the EIS on the preferred alternative at the time a design report and right-of-way plan is submitted for approval.

A. Identify alternates to be considered in the DEIS.

1. The Alternative 1 corridor would be approximately 6.2 miles long with grade-separated interchanges at I-5 and in the vicinity of 54th Avenue East, 70th Avenue East, and Meridian Street North. Access to SR 509 would be through at-grade intersections of Port of Tacoma Road with the SR 509 frontage roads. The corridor would begin at the SR 161/SR 167 Interchange in North Puyallup heading northwesterly down the Puyallup River Valley in an area between the Puyallup River and the Union Pacific Railroad. Crossing 82nd Avenue East, 70th Avenue East, and 54th Avenue East before turning west and paralleling North Levee Road in the vicinity of and northwesterly of Frank Albert Road. Alternative 1 would then proceed north on structure, over the Union Pacific Railroad, 20th Street East, Interstate 5, Pacific Highway and SR 509 to end on the Port of Tacoma Road. Grade separations would be located in the vicinity of 82nd Avenue East and near Frank Albert Road.

2. Alternative 2 would be approximately 6.0 miles in length, with interchanges located at SR 509, and in the vicinity of 54th Avenue East, Interstate 5, Valley Avenue East, and Meridian Street East. This corridor would begin at the existing SR 161/SR 167 Interchange and continue in a northwest direction turning northerly in the vicinity of the Union Pacific Railroad and Valley Avenue, which it would cross on a structure. Near 82nd Avenue East the corridor would proceed in a northwesterly direction crossing 70th Avenue East, Interstate 5 and SR 99 on a structure, then proceed in a more northerly direction paralleling Hylebos Creek until curving and heading west in the vicinity of 8th Street East. A structure would continue this alignment over 54th Avenue East to a termination point located on SR 509 between Marshall Avenue and Alexander Avenue.

3. Alternative 3 would be approximately 5.7 miles in length with interchanges at SR 509 and Interstate 5 and in the vicinity of Valley Avenue East and at Meridian Street East. This alternate would diverge from Alternative 2 corridor just north of the 70th Avenue East, Interstate 5, and SR 99 structure. This portion of the alignment would swing westerly then northerly continuing on structure over 12th Street East and 8th Street East before terminating in the vicinity of SR 509 and Taylor Way. The termination of this alternate in the SR 509 vicinity would require modification of 54th Avenue East to operate as one-way southbound between SR 509 and 8th Street East and construction of a one-way northbound frontage road on the east side of the alternate 3 corridor between 8th Street East and the SR 509 frontage road. Northbound 54th Avenue East traffic would cross under SR 167 at 8th Street East and continue on the new northbound frontage road.

4. The No-Action Alternative would terminate the SR 167 freeway at Meridian Street North (SR 161) and SR 167 would continue to Interstate 5 at the Bay Street Interchange in Tacoma via Meridian Street North and River Road.

B. There is no recommendation as to a preferred alternative at this time.

C. Identification of significant impacts and possible mitigations.

1. Transportation:

Alternative 1 would increase congestion on surface streets north and south of Interstate 5 in the area of Port of Tacoma Road due to the elimination of the Port of Tacoma Road overpass of Interstate 5 for local traffic.

Construction of all alternatives would require delays and/or detours in the vicinity of interchange and grade separation construction. Detour signing and construction safety measures would be used.

2. Waterways, Hydrology and Water Quality:

Alternatives 2 and 3 would fill approximately 9 acres of 100-year flood-plain thus requiring a like amount of 100-year flood storage. Construction of all alternatives would require some amount of erosion control measures during construction.

3. Wetlands, Vegetation, Wildlife, and Wildlife Habitat.

Alternatives 1, 2, and 3 would affect approximately 24, 10, and 16 wetlands, respectively. Wetland creation and/or enhancement would mitigate these impacts. Overall there would be no net loss of wetland area or function.

4. Hazardous Waste:

Alternative 1 requires right-of-way from one property with a history of contamination. All alternatives require construction in the vicinity of the East-West Road where there is possible contamination from smelter slag. Site characterization studies would be carried out in the design phase of the project. The studies would determine disposal procedures for hazardous materials encountered.

5. Visual Quality:

Alternative 1 creates a major visual barrier by constructing a viaduct over Port of Tacoma Road between 20th Street East and the vicinity of Marshall Avenue. Visual impacts from all alternates would be mitigated through aesthetically pleasing design and landscaping.

6. Public Services:

The No-Action Alternative would result in increasing delays to emergency services due to increased growth and traffic congestions.

7. Land Use:

Alternative 1 would displace up to 19 residences and 12 businesses; Alternative 2 would displace up to 88 residences and 11 businesses; and Alternative 3 would displace up to 98 residences and 12 businesses. During final alignment selection in the Design Report phase to follow, we will avoid many of these properties reducing the actual impacts to the residences and businesses. Property acquisition and relocation would be accomplished in accordance with the amended "Relocation Assistance - Real Property Acquisition Policy" (Act of 1971) - RCW 8.26.010.

D. **Discussion of controversial areas and proposed coordination to resolve.**

1. Land Use:

All three alternatives would likely accelerate conversion of land from agricultural uses to commercial uses - particularly in the vicinity of freeway interchanges. Although this would be a continuation of an existing trend, local land use decisions and critical area designations will affect future land uses. Completion of the SR 167 Freeway between Puyallup and Interstate 5 would be in conformance with adopted regional and local comprehensive plans.

2. Waterways, Hydrology and Water Quality:

All three alternatives have potential for direct water quality impacts to Wapato Creek and Alternatives 2 and 3 have potential water quality impacts to Hylebos Creek. Both Wapato and Hylebos Creeks are important fisheries resources to the Puyallup Tribe. Mitigation of short term construction and long term operation impacts will be required.

3. Parks and Recreation:

All three alternatives have the potential to require up to 1.5 acres of a 15 acre City of Puyallup owned site intended for future expansion of the Puyallup Recreation Center in North Puyallup.

E. The original scope of work called for terminating SR 167 at Interstate 5. This scope was changed to extend SR 167 beyond Interstate 5 and terminate at the SR 509 alignment, as it was defined in the Final EIS of October, 1990 and the Record of Decision in February 1991.

SR 167 EXTENSION

Purpose

The purpose of this project is to provide a controlled access highway from the SR 167 freeway terminus at SR 161 (Meridian Street North) in the City of Puyallup to Interstate 5 in the City of Fife and the proposed SR 509 expressway in the Port of Tacoma. Construction would provide a safer route than the current circuitous route from Puyallup to I-5 and the Port of Tacoma via Meridian Street and River Road. It would also reduce heavy truck traffic using Valley Avenue and 54th Avenue East through the City of Fife for Port of Tacoma and I-5 corridor access. The freeway section under study would complete the North Pierce County freeway system as planned in the 1950's.

System Linkage

This project will provide a key connecting link in the regional freeway system. It will tie the Puyallup termini of the SR 167, SR 410, and the SR 512 freeways to the I-5 corridor, the Port of Tacoma, and the proposed SR 509 expressway. This section of SR 167 was initially planned in the 1950's.

Regional Transportation Plan

The Puget Sound Council of Governments (now Puget Sound Regional Council) issued and adopted the *Vision 2020 Growth Strategy and Transportation Plan for the Central Puget Sound Region* in 1990. Six alternative growth and transportation strategies were evaluated for a year 2020 planning horizon and a Preferred Alternative was noted. Completion of SR 167 from Puyallup to I-5 is an element of the Preferred Alternative transportation plan.

Safety

WSDOT has identified several problems related to the existing termination of the SR 167 freeway at Meridian Street North. The existing arterial street, River Road, is the existing connection between SR 167 and Interstate 5 and has had a history of a high number of accidents due the many intersecting roads and driveways. It operates at a level of safety that is unacceptable for the prime commercial route from the Puyallup-Auburn Valley to the Tacoma industrial and distribution center. High truck percentage (in excess of 20%) also contribute to problems on the existing routes. Completion of the SR 167 freeway extension will alleviate most of these safety problems.

Economic Development

The freeway completion would support economic development goals of Pierce County and the Port of Tacoma by completing the North Pierce County freeway system and connecting the I-5 corridor and the major employment centers of the Port of Tacoma with Puyallup, the Green River Valley cities in King County, and the SR 410 corridor subarea serving northeast Pierce County.

Pierce County
Office of the County Executive

930 Tacoma Avenue South, Room 737
Tacoma, Washington 98402-2100
(206) 591-7477 • FAX (206) 596-6628

DOUG SUTHERLAND
Executive

FRANCEA L. McNAIR
Deputy Executive

March 19, 1993

Congressman Mike Kriedler
1535 Longworth House Office Building
Washington, DC 20515

Re: Cross-Base Highway

Dear Congressman Kriedler:

I am expressing Pierce County's support for the proposed appropriation under Intermodal Surface Transportation demonstration projects for the Cross-Base Corridor--Interstate 5 (I-5) to State Route 7. Pierce County has completed a corridor engineering study of the route and currently is working on a NEPA Environmental Impact Statement for completion in 1993.

The Cross-Base Highway will link I-5 to the growing central county area currently isolated behind Ft. Lewis and McChord Air Force Base. The highway project will have many regional benefits including:

- Improved access via a dedicated interchange to McChord Air Force Base and Ft. Lewis.
- Relief of the congested Interstate 5/State Route 512 interchange that currently backs up onto the I-5 mainline.
- Relief of three north/south major arterials serving the central County area.
- Easy retrofitting of the project for high-occupancy vehicle lanes when such facility is constructed on I-5.
- Improved access to the Frederickson Industrial Area and Boeing-Pierce County plant promoting continued economic development in a manner consistent with County plans.

- Improvement to nonmotorized facilities including construction of bicycle and equestrian facilities coordinated with the development plans of Ft. Lewis.

Thank you for your support of this important project. I look forward to working with you on implementation.

Sincerely,

Doug Sutherland

DOUG SUTHERLAND
County Executive

DS:SEG:iih

cc: Frederick L. Anderson, Executive Director, County Operations
John O. Trent, PE, Public Works Director
Thomas G. Ballard, PE, County Engineer
Stevan E. Gorcester, Transportation Manager
file

PORT of
TACOMA
U.S.A.★★★

March 24, 1993

The Honorable Mike Kreidler
U.S. House of Representatives
Washington, DC 20515-4709

Dear Congressman Kreidler:

I am writing to express the Port of Tacoma's support for federal funding for the following highway projects near our port:

SR 167:

The completion of the final link in the SR 167 freeway will replace the existing SR 167 arterial route between Puyallup and I-5 with a six-lane freeway, including two high-occupancy-vehicle lanes on the segment between SR 161 and the proposed SR 509 freeway at the Port of Tacoma. This freeway will provide a direct freeway connection from Port of Tacoma container terminals, freight distribution and log export facilities and warehouses to the Green River Valley and, via SR 18, to I-90 and eastern Washington.

Cross Base Highway:

The Cross Base Highway will be a new arterial between SR 7 and I-5 across the northern boundary of Fort Lewis and the southern boundary of McChord Air Force Base. This highway will greatly improve access to the Ports' Frederickson Industrial site from I-5 and significantly reduce truck traffic on nearby arterial roads.

Both of these projects will help the Port continue its efforts to move freight efficiently with the least possible disruption to neighboring communities. We appreciate your efforts to secure funding for these important projects.

Sincerely,

John Terpstra

John Terpstra
Executive Director

P.O. Box 1837 • Tacoma, Washington 98401-1837 • Telephone (206) 383-5841 • Telex 32-7473
Commissioners: Robert G. Earley • Jack A. Fabulich • Philip M. Lelli • Patrick O'Malley • Ned Shera
Executive Director: John J. Terpstra

JT:lal,METER,kreidler

J. Terry Lewis
Corporate Director
Local Government Affairs

The Boeing Company
P.O. Box 3707, MS 14-49
Seattle, WA 98124-2207

BOEING

March 24, 1993

The Honorable Mike Kreidler
U. S. Congress
1535 Longworth House Office Building.
Washington D.C. 20515

Dear Congressman Kreidler:

It is our understanding that you are going to testify before a house committee regarding potential funding for the "Cross Base Highway" in Pierce County. We would like to express our support for your efforts in this regard.

The Boeing Company acquired 527 acres of industrial land in the Frederickson area of Pierce County in July, 1990. Since that time we have been given approval for our four-phase development of the site by Pierce County. Phase one of this development consists of two buildings, the first of which is the skin and spar facility of 965,000 square feet. This is now complete and in production with 250 employees on site. The second building of 432,000 square feet is due to be complete in June of this year and will be the workplace for 300 employees who will manufacture composite aircraft parts. The additional three phases of this project will be developed over the next twenty years depending on business conditions and market demand. The maximum potential site population would be about 11,500 employees.

We feel that the existing state highway and county arterial system serving East Pierce County, and the Frederickson area in particular, is largely inadequate to meet current and future transportation requirements. We concur with Pierce Counties determination that the construction of a "Cross Base Highway" should be a high transportation priority.

It is our understanding that the engineers and planners estimate the cost of this project at approximately $45 million. The road would carry traffic on two or three lanes in each direction and would relieve current heavy congestion at 1-5 and the Washington 512 interchange. It would also relieve pressure on Pacific Avenue between Spanaway and Washington 512. In addition, the Cross Base Highway would greatly improve access to 1-5 from Eastern and Southern Pierce County. Planners estimate that 45,000 cars per day would use the road.

A compelling argument can be made for the Cross Base Highway based upon current needs. However, future growth and the potential for economic development in East Pierce County is great, as evidenced by our plant at Frederickson, the Port of Tacoma's expanding industrial park and the proposed Cascadia development. East Pierce County is one of the only areas in the County which has available land for light and heavy manufacturing facilities. Most of East Pierce County is also contained within the County's Urban Growth Area, which will attempt to concentrate economic development and growth to identified geographic areas of the County. We believe the proposed Cross Base Highway is a crucial element of the County's economic development future. If we do not invest in our infrastructure, new economic development opportunities and expansions will not be realized.

With an expanding Puget Sound population base, and severely congested roads and highways in East Pierce County, the Cross Base Highway should be a high transportation priority.

Sincerely,

J. T. Lewis

CITY OF PUYALLUP
Municipal Administration Building
818 West Pioneer
Puyallup, WA 98371
206/841-4321

OFFICE OF THE MAYOR

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To	MIKE KREIDLER	From	MAYOR PARRISH
Co.	CONGRESSMAN	Co.	CITY OF PUYALLUP
Dept.	9TH DISTRICT	Phone #	206-841-5553
Fax #	202 226-3361	Fax #	206-841-5484

March 23, 1993

Congressman Mike Kreidler
Ninth District
1535 Longworth House Office Bldg.
Washington D.C. 20515

SENT BY MAIL AND FAX

RE: CASCADE CORRIDOR HIGHWAY IMPROVEMENTS

Dear ~~Congressman Kreidler~~ Mike:

The City of Puyallup strongly supports the "Cascade Corridor" highway improvements and specifically the State Route 167 extension to Interstate 5. Beyond the obvious transportation improvements value, these improvements would open up the Puyallup valley and the south end of the Kent-Auburn valley for economic and jobs development.

The "Cascade Corridor" areas are largely planned, zoned, served with water and sewer, -- ready to go -- but essentially "landlocked" without a direct I-5 connection. No other roads project in our area could bring about as large a transportation and economic benefit as the Cascade Corridor improvements.

Thank you for your support. Please let us know how we may be of further assistance.

Yours truly,

Jack Parrish

JACK PARRISH
Mayor

TACOMA-PIERCE COUNTY CHAMBER OF COMMERCE

March 23, 1993

Congressman Mike Kreidler
1535 Longworth House Office Bldg.
Washington, DC 20515

Dear Mr. Kreidler:

Please be advised of the Tacoma-Pierce County Chamber's continuing support for transportation improvements that will reduce traffic congestion and increase commerce for our community.

Our Board of Directors has identified four improvements as top priorities:

SR-167 Extension from SR-161 to I-5
SR-509 Cross-Tideflats Expressway
176th St. Extension (Crossbase Highway)
Capacity Improvements to the Narrows Bridge Crossing

The first two projects would greatly enhance economic development of the "Cascade Corridor" and the Port of Tacoma, Pierce County's economic heart. The Crossbase Highway would provide needed transportation access to the growing industrial center in Frederickson.

These priorities have been further supported by community consensus in the recommendations of the recently-adopted Pierce County Transportation Plan.

Sincerely,

Paul A. Ellis

Paul A. Ellis
Area Councils Manager

950 PACIFIC AVENUE, SUITE 300, PO BOX 1933, TACOMA, WA 98401
PHONE: 206-627-2175, FAX 206-597-7305

ACCREDITED BY THE CHAMBER OF COMMERCE OF THE UNITED STATES

1892 - 1992

Puyallup Area Chamber of Commerce

322 - 2nd St. S.W. • P.O. Box 1298 • Puyallup, WA 98371 • (206) 845-6755 • FAX (206) 848-6164
1-800-634-2334

March 22, 1993

Congressman Mike Kreidler
1535 Longworth
Washington, D.C. 20515

Dear Congressman Kreidler,

The Puyallup Area Chamber of Commerce has been actively involved in the transportation priorities in the east Pierce County area. The extension of SR167 through the Puyallup/Fife valley has been a #1 priority for the past several years.

The SR167, 509, 161 projects that will link to I-5 is valuable to the area. As industry moves from the Kent Valley down the 167 corridor the next area to be impacted will be the Puyallup, Fife, Sumner valley. Combine this growth pattern with the purposed race facility in Fife, the general population growth of Pierce County, and congestion, the ultimate result is gridlock.

The "Cascade Transportation Corridor" is the key to unlock the future gridlock and economic development of the Puyallup Valley. I have attached the Roads and Transportation priorities for 1993. Please note that these priorities have been supported by the Government Affairs Committee, Community Development Committee, officers and directors of the board.

We represent the largest business organization in the east Pierce County area, serving the cities of Sumner, Milton, Fife, Puyallup and Orting and unincorporated North Hill, South Hill, Graham, and Summit/Fredrickson.

If there are any additional questions please feel free to contact me.

Sincerely,

Paula Braaten

Paula J. Braaten
C.E.O.

100 years of service to business and community

2. **ROADS AND TRANSPORTATION** (in priority order):

   1. Racetrack related improvements to county, city, and state roads. The Racetrack in the Fife area is a strongly supported business within the Puyallup/Fife area. The roads will need widening, improvements, and extensions to serve this facility. The economic impact of the Racetrack area will help fund these improvements and the related extension of SR 167, I-5, and SR 509.

   2. I-5/ SR 167 interchange. This area will be greatly impacted by the Fife Racetrack and is presently needed in conjunction with the SR 509 interchange and the extension of SR 167 through the Fife/Puyallup Valley. With the growth in the Eastern Pierce County corridor and the need to alleviate through traffic in Puyallup this project has been and continues to be one of the top priorities.

   3. The cross-base freeway connection to connect Fredrickson with I-5. This new freeway is sorely needed in the expanding Fredrickson area by both businesses and residents.

   4. Improvements to Canyon Road are imperative including extension to the south. An additional north-south corridor approximately along the 70th Ave. East alignment is needed and should be planned as soon as possible.

   5. 32nd. St. interchange at SR 167. This interchange has been on the priority list for several years. With the increase in the Sumner Industrial Park and growth in the area it is imperative that this project be completed.

   6. 8th Street - SR 167 interchange. With the new Henderson Homes development of Lakeland, this interchange is needed to relieve congestion in the Sumner/Lake Tapps area.

3. GROWTH MANAGEMENT

Any legislation should reflect an attitude that growth should be managed while preserving individual property rights.

4. EDUCATION

The Chamber takes great pride in support of Education 2000 -- Work Force preparation. We are one of four chambers in Washington State that is recognized by the U.S. Chamber as supporters of the Education 2000 concept by which business, schools, state, and city work together to educate youth and establish our future in business.

Kidder Mathews & Segner Inc

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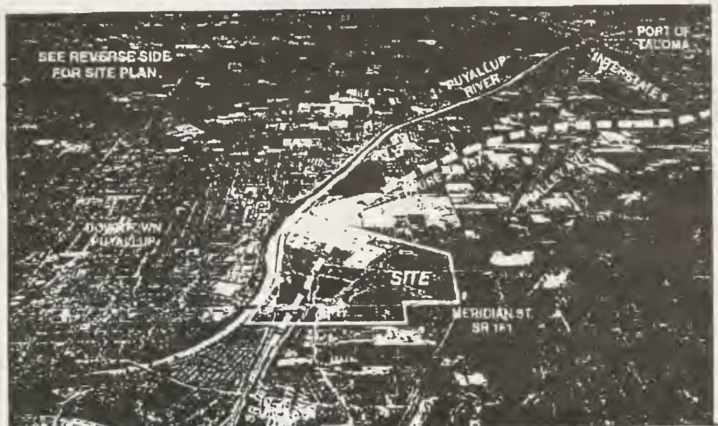

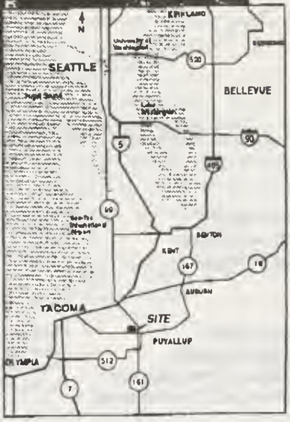

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- Immediate freeway access and future freeway exposure.
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in Tacoma:
David B. Douglas, SIOR
Jeffrey S. Lyon, CCIM
(206) 383-5693

in Seattle:
Gordon K. Buchan, SIOR
Jerome E. Mathews, SIOR, CCIM
(206) 248-7300

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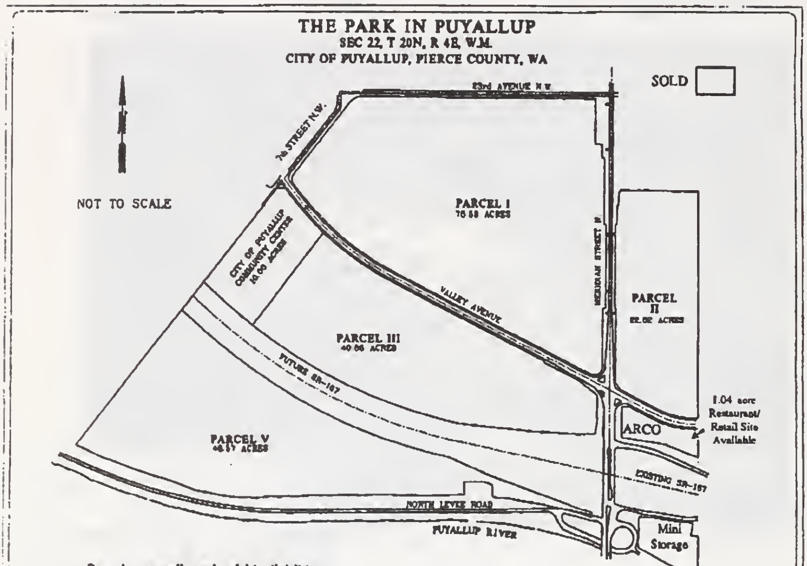

Parcels are easily and quickly divisible
through Puyallup's Building Site Plan Ordinance

Bob Jean
City of Puyallup
City Manager

"The Park in Puyallup' will be the next major employment center for our city. Puyallup offers companies a productive labor force, a quality lifestyle for employees, a pro business environment, and a great view of Mount Rainier."

Mike Casey
City of Puyallup
Director of Planning and Community Development

'Zoning and infrastructure are in place. We see 'The Park' as an ideal development site and are anxious to see it become a success. This city's planning staff is eager to assist companies to locate in 'The Park in Puyallup'."

Mr. Carr. Do I understand that you are pointing out to us a couple of problems, but you think most of these could be funded through the normal formula program?

Mr. Kreidler. I would certainly prefer all three of these to be line items, but being realistic about it, understanding the process and the Chair's own preference to avoid such line item actions, I would certainly think that I am optimistic that because of the priority of these projects that they will take place through the usual process.

Mr. Carr. I would just tell the gentleman that we would love to fully fund ISTEA, but one of the problems we are having is that currently there is not enough revenue to fully fund ISTEA. The commitment of this committee to governors and to mayors and the construction industry is to try to assure a steady level of funding for transportation infrastructure investment. As we look out on the horizon, we don't know where we're going to get the dollars to make this happen.

The President has announced that he would support returning the 2.5 cents that is presently being used for deficit reduction back to the highway trust fund. But that doesn't occur until October of 1995. The General Accounting Office tells us that the highway trust fund will go into a negative situation in about 1996.

So we have to manage our resources fairly carefully. If we fully fund ISTEA this year and next year, we are going to be out of luck and out of cash come 1996. We have to be very, very careful.

They also don't know what the impact of the BTU tax will be on driving. That may further depress the revenues into the trust fund. Then beyond that, it seems the Administration wants to exempt alternative fuels from the BTU tax. They are already exempt from the trust fund, as you know. So that produces a powerful market incentive, which may further rob the trust fund of revenues downstream.

We're trying to do the best we can. We appreciate your coming by and telling us about the needs of your constituents.

The gentleman from Virginia?

Mr. Wolf. Thank you, Mr. Chairman.

Welcome.

Are the two projects authorized?

Mr. Kreidler. They are currently not at this present time, but there is high optimism in the local region that will make the decision, which is the Puget Sound Regional Council of Governments which will make the priority choices. They are very optimistic. The communities directly affected are very optimistic about their being selected.

Mr. Wolf. Are you going before any other appropriations subcommittee for either of these? The reason I ask is that the one looks like DOD with those bases. Are you looking to any other appropriations?

Mr. Kreidler. No, I haven't. Part of the problem with the cross-base highway is that DOD probably would take the position of saying that if we want to do this they would provide the land, but that it is not something critical to their mission.

Mr. Wolf. Does it go through the military base?

Mr. KREIDLER. It does. It takes property that is part of the military base.

Back when Fort Lewis was formed it had the Army Air Corps there and then the Air Force base broke off when the Air Force became a separate branch. So they are contiguous. This would essentially wind its way between them as effectively as possible without broaching either property any more than the other. Both branches were very careful to be sure that no one lost more property than the other one.

Mr. WOLF. Thank you very much.

Thank you, Mr. Chairman.

Mr. KREIDLER. I certainly thank you, Mr. Chairman.

Mr. CARR. Thank you for being here. I look forward to working with you.

THURSDAY, APRIL 1, 1993.

UNITED STEELWORKERS OF AMERICA

WITNESSES

HON. WILLIAM J. COYNE, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

LYNN R. WILLIAMS, PRESIDENT, UNITED STEELWORKERS OF AMERICA

WILLIAM S. BROWN, III, CHAIRMAN OF THE BOARD, MAGLEV, INC., PITTSBURGH, PENNSYLVANIA

Mr. CARR. Our next witness is Congressman Bill Coyne from Pennsylvania. I am going to allow you to make the introductions.

Mr. COYNE. Thank you very much, Mr. Chairman.

I want to thank you and the committee for the opportunity to be here in support of President Clinton's proposal for investment in maglev technology and to have the opportunity to present to the committee two of my constituents from the Pittsburgh area, Lynn Williams, who is the president of the International Brotherhood of Steelworkers, and Mr. Bill Brown, who is chairman of Maglev, Incorporated.

I know we are limited in the time we have for testimonies, so I will let Lynn and Bill testify here.

Mr. CARR. Thank you.

Mr. WILLIAMS. Thank you very much, Mr. Chairman and Mr. Wolf, for hearing us today. We appreciate this very much.

I come before you with high hopes and real optimism for our Nation's economic future. President Clinton has challenged us all to a bold new era of change, a change where America must take control of its economic destiny. Now is the time to invest in our people, our neighborhoods, our towns and cities, and all regions of the country to ensure a better future for all Americans.

As President Clinton recommended in his comprehensive economic plan, which was further reiterated in Secretary Pena's statement, there is need for the country to move forward in applying high-speed rail and maglev technology to our ground transportation needs. I strongly support the President and the Administration in this belief, and particularly the Steelworkers request your support of the Maglev, Incorporated program in Pennsylvania.

In Pennsylvania, we have developed a true public/private/labor partnership completely committed to making maglev a reality. This public/private/labor coalition cannot be understated. Maglev, Incorporated is the only high-speed ground transportation project in America to have the unique distinction of having unions as actual owners of the corporation and coequal partners, including the United Steelworkers of America and the Building and Construction Trades Council. It is the only project of its kind to be formally endorsed by the National AFL–CIO and the Pennsylvania United Transportation Union.

As members of the Appropriations Subcommittee on Transportation, you will be making significant decisions that will largely determine the future of transportation itself and the role that transportation plays in the Nation's overall economy. I know some of these decisions are very difficult. However, as long as we focus on a long-range perspective, I am confident that the right decisions will be made.

We can look to high-speed rail as a perfect example of technology that is both a mode of transportation as well as an economic development project. The Administration has proposed $140 million for high-speed ground transportation in the budget for fiscal year 1994, a total of $1.3 billion over fiscal years 1994 to 1998. The USWA fully supports the President in investment and development of high-speed rail, and specifically maglev.

The results of this partnership are that maglev is no longer just an idea but is on the verge of reality. For instance, Maglev, Incorporated in Pennsylvania has completed efforts for a demonstration project which is part of a larger regional design and could be manufactured, constructed, tested, and commercially hauling passengers in 3.5 to 4 years. More importantly, the Pennsylvania project would also provide a manufacturing facility along with a test facility that could be utilized for other maglev developments and projects across the country and around the world.

The terrific part of this plan is that operation of this demonstration project would pay for its own operating costs at a minimum and hopefully even pay for some of the capital investment. Moreover, the maglev demonstration project in Pennsylvania is ready to be built now.

Studies indicate that the raw materials—coal, steel, aluminum, copper, et cetera—manufacture of the system, including all the components, subcomponents, construction operations, and maintenance of the system, will create 70,000 to 100,000 new jobs as well as spin-off jobs in other networks. For example, a double track maglev system uses a ton of steel per foot.

This is a result of a great deal of foresight, planning, and prudent investment thus far by this unique public/private/labor partnership. The State of Pennsylvania has invested $4 million studying various projects and has recommended that future investments should be in maglev. This technology choice has been developed at an estimated total cost of more than $2 billion over a 20-year period industry-wide.

The Maglev, Incorporated demonstration project in Pennsylvania should not be viewed in regional terms only. Over and above the fact that the Pennsylvania maglev project is ready for construction, more fundamentally it represents an opportunity far beyond an efficient transportation system. The opportunity is for the United States to become the world leader in a technology that will be used world-wide some day.

Maglev is the perfect example of technology that can provide an efficient mode of transportation in the short-run, and be the basis of the manufacturing industry in the long-run.

There is a lot of talk about competitiveness these days and how America can compete in a global economy. High-speed rail, and maglev in particular, is the kind of technology where America must compete successfully.

Building the maglev demonstration project means creating jobs in the short-term as well as an efficient mode of transportation. But developing the manufacturing base for maglev technology means creating permanent jobs in the long-run, which is vital to our future economic growth.

Further, the Pennsylvania project represents the embodiment of the Federal dollars that were invested in the 1970s and the 1980s for the development of high-speed rail. The evolution of high-speed rail is continuing world-wide.

Mr. Chairman, we ask you to help us regain the lead that will build a new labor base in the United States. We are not asking for funding for pure technical research. Instead, we are asking for application engineering funding.

For all these reasons, we strongly believe Maglev, Incorporated will develop a new industrial base and a network of high-speed maglev systems to connect regional centers and cities with ports, airports, transit systems, and long-distance rail systems and will integrate the rail system with economic development.

Thank you very much.

[The prepared statements of the Hon. Coyne and Mr. Williams follow:]

THE HONORABLE WILLIAM J. COYNE
TESTIMONY FOR THE
HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON TRANSPORTATION
APRIL 1, 1993

Mr. Chairman, Members of the Subcommittee, thank you for this opportunity to express my support for President Clinton's proposal to fund an American investment in Maglev and High Speed Rail.

I am also pleased to introduce Lynn Williams, International President of the United Steelworkers of America, and William Brown, Chairman of MagLev Inc., who share the President's vision of developing a United States' maglev and high speed rail system.

In his preliminary budget release, entitled "A Vision of Change for America," President Clinton identified investment in maglev and high speed rail as part of his Administration's infrastructure investment program. Under the category of "What We Must Now Do," the Administration noted that "Maglev and high-speed rail systems can meet the transportation needs of several of the nation's high-density corridors. These systems could relieve congestion, improve air quality, reduce consumption of petroleum-based fuels and improve safety."

I support the Administration's request for total increased outlays of $646 million over 1994-1997. It is my hope that the Members of this Subcommittee will also lend their support to President Clinton's funding request.

My support for maglev and high-speed rail is not limited to this request for direct federal funding. I have introduced legislation this year to provide state and local governments with greater flexibility to use tax-exempt financing for the construction of high speed rail facilities. This proposal was also made part of the Clinton Administration's national investment program for transportation. This bill, H.R.928, will put high speed rail facilities on an equal footing with airports and docks which currently have unrestricted access to tax-exempt financing.

Mr. Chairman, Members of the Subcommittee, my interest in maglev and high speed rail has grown over the years in response to the significant work being done in Pittsburgh to develop an efficient and cost-effective maglev rail system. I am convinced that MagLev Inc. has a realistic and fiscally workable plan to develop an American maglev manufacturing base.

It is important to note that maglev is a United States developed technology, but that our country has allowed other nations to move ahead of us in commercializing this work. I have learned how far the United States has fallen behind Germany, France and Japan in this effort, but I have also been impressed by the great strides being made by MagLev Inc. to catch up with and pass our foreign competitors.

Maglev Inc. is ready to develop and construct a maglev demonstration project in Pittsburgh, but this project is only the first step in a planned regional maglev system serving Pennsylvania, West Virginia and Ohio. As such, the Maglev Inc. proposal is in no way comparable to the efforts of the Allegheny County Port Authority to provide improved busway service between residential neighborhoods of Pittsburgh and the jobs available at the new Pittsburgh International Airport. MagLev Inc. is committed to developing a manufacturing technology base which will make Pittsburgh and the Tri-State area the leader in high speed rail development.

The AFL-CIO and unions such as the United Steelworkers of America have endorsed MagLev Inc.'s efforts because labor understands the potential maglev can play in re-invigorating our country's manufacturing base. The Clinton Administration also understands this fact.

Mr. Chairman, I want to make one final point before I introduce Lynn Williams and Bill Brown. I support MagLev Inc.'s proposal to develop a maglev demonstration project in Pittsburgh because I believe the team assembled in western Pennsylvania is the best qualified. The Commonwealth of Pennsylvania has made a similar judgement and has already appropriated $2 million in state funds for MagLev Inc. This commitment of state resources was made at a time when Pennsylvania was also being forced to prioritize its budget.

I am convinced that MagLev Inc. is uniquely prepared to compete for and win any competition to develop a maglev prototype. Still, I want to emphasize that my support for the United States developing a maglev rail system is based on my belief that this effort is in our national economic self-interest.

Mr. Chairman, thank you again for this opportunity to appear before the Subcommittee. I am now pleased to introduce Lynn Williams, International President of the United Steelworkers of America, and William Brown, Chairman of MagLev Inc.

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TESTIMONY OF LYNN R.WILLIAMS, PRESIDENT THE UNITED STEELWORKERS OF AMERICA

BEFORE THE U.S. HOUSE APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

Mr. Chairman, Members of the Committee, I thank you on behalf of the United Steelworkers of America for the opportunity to appear before you today. I come before you today with high hopes and real optimism for our Nation's economic future. President Clinton has challenged us all to a bold new era of change -- a change where America must take control of its economic destiny. Now is the time to invest in our people, our neighborhoods, our towns and cities, in all regions of the Country to ensure a better future for all Americans.

As President Clinton recommended in his comprehensive economic plan which was further reiterated in Secretary Pena's statement, there is a need for the Country to move forward in applying high-speed rail and MAGLEV technology to our ground transportation needs. I strongly support the President and the Administration in this belief. In particular, the USWA requests your support of the MAGLEV, Inc. program in Pennsylvania.

In Pennsylvania, we have developed a true public-private-labor partnership, completely committed to making MAGLEV a reality. This public-private-labor coalition cannot be understated. MAGLEV, Inc. is the only high-speed ground transportation project in America to have the unique distinction of having unions as actual owners of the corporation and co-equal partners, including the United Steelworkers of America and the Building and construction Trades Council. It is the only project of its kind to be formally endorsed by the National AFL-CIO and the Pennsylvania UTU.

As Members of the Appropriations Subcommittee on Transportation, you will be making significant decisions that will largely determine the future of transportation itself and the role that transportation plays in the Nation's overall economy. I know some of these decisions are very difficult. However, as long as we focus on a long-range perspective, I am confident the right decisions will be made.

We can look to high-speed rail as a perfect example of technology that is both a mode of transportation as well as an economic development project. The Administration has proposed a $140 million dollars for high-speed ground transportation in the budget for fiscal year 1994 and a total of $1.3 billion dollars over fiscal years 1994-98. The USWA fully supports the President in investment and development of high-speed rail, and specifically, MAGLEV.

The results of this partnership are that MAGLEV is no longer just an idea but is on the verge of reality. For instance, MAGLEV, Inc. in Pennsylvania, has completed efforts for a demonstration project which is part of a larger regional design -- and could be manufactured, constructed, tested and commercially hauling passengers in 3 1/2 to 4 years! More importantly, the Pennsylvania project would also provide a manufacturing facility along with the test facility that could be utilized for other MAGLEV developments and projects across the Country and around the world.

The terrific part of this plan is that operation of this demonstration project would pay for its own operating costs, at a minimum, and hopefully even pay for some of the capital investment. Moreover, the MAGLEV demonstration project in Pennsylvania is ready to be built now.

Studies indicate that the raw materials -- coal, steel, aluminum, copper, etc., manufacture of the system (including all of the components, sub-components, construction, operations, and the maintenance of the system) will create 70,000 to 100,000 new jobs as well as spin-off jobs in other networks. For example, a double-track MAGLEV system uses one ton of steel per foot.

This is a result of a great deal of foresight, planning, and prudent investment thus far by this unique public-private-labor partnership. The State of Pennsylvania has invested $4 million dollars studying various projects and has recommended that future investment should be in MAGLEV. This technology choice has been developed at an estimated total cost of more than $2 billion dollars over a twenty-year period industry-wide.

The MAGLEV, Inc. demonstration project in Pennsylvania should not be viewed in regional terms only. Over and above the fact that the Pennsylvania MAGLEV project is ready for construction, more fundamentally it represents an opportunity far beyond an efficient transportation system. The opportunity is for the United States to become the world leader in a technology that will be used world-wide someday. MAGLEV is the perfect example of technology that can provide an efficient mode of transportation in the short-run and be the basis of a manufacturing industry in the long-run.

There is a lot of talk about competitiveness these days and how America can compete in the global economy. High-speed rail and MAGLEV, in particular, is the kind of technology where America must compete successfully.

Building the MAGLEV demonstration project means creating jobs in the short term as well as an efficient mode of transportation. But developing the manufacturing base for MAGLEV technology means creating permanent jobs in the long run which is vital to our future economic growth.

Further, the Pennsylvania project represents the embodiment of the federal dollars that were invested in the 1970's and the 1980's for the development of high-speed rail. The evolution of high-speed rail is continuing world-wide. Mr. Chairman, we ask you to help us regain the lead that will build a new labor base in the United States. We are not asking for funding for pure technical research. Instead, we are asking for application engineering funding.

For all these reasons, we strongly believe MAGLEV, Inc. will develop a new industrial base and a network of high-speed MAGLEV systems to connect regional centers and cities with ports, airports, transit systems and long-distance rail systems, and will integrate the rail system with economic development.

Mr. Chairman and Members of the Committee, I thank you.

Mr. Carr. Thank you very much, Mr. Williams.

Mr. Brown.

Mr. Brown. Thank you, Mr. Chairman.

Good afternoon. My name is Bill Brown, and I am chairman of the board of Maglev, Incorporated, a Pittsburgh-based company which we believe is the only maglev public/private/labor consortium in the country. Lynn has spoken well on the organization of that and we appreciate the opportunity to appear before you today.

We are here in support of the high-speed ground transportation programs being advanced by the President and Administration. In his testimony to this subcommittee on March 25th, Secretary of Transportation Pena expressed the need for proceed with the initial phases of a maglev prototype development as part of the country's long-term commitment to providing the environmentally sensitive mobility we will need to compete in the global economy.

The President has asked for an outlay of $646 million for maglev and high-speed rail between 1994 and 1997 as part of his program for economic investment in America in addition to the $750 million outlined by Congress in the ISTEA legislation for a maglev prototype. We are asking that you review and approve our request for a maglev prototype and that that request be funded. We feel our project is the appropriate one in which to make this investment.

Mr. Chairman, 6 years ago Carnegie Mellon University established a high-speed ground transportation center in Pittsburgh in response to the growing transportation crisis in the United States, which has become immediately and clearly evident. It had also become evident that the capacity of the highway mode and the air mode cannot be expanded enough to meet the travel demands of the 21st century. The growing congestion in these modes will create intolerable delays and economic cost. High-speed ground transportation, by providing an alternative for trips in the 100 to 600 mile range will complement the other modes by providing an uncongested alternative.

The center became aware of the rapid development of maglev technologies and recognized that the future of the high-speed systems would be highway and airport oriented, in addition to helping to revitalize passenger service from city center to city center. Pittsburgh's strategic location, midway between the east coast and the large cities in the midwest, provides a unique hub opportunity.

In 1988, the maglev working group was formed. This group was again a public/private partnership which included private firms, labor unions, governmental representation at the city, county, and State level, a large utility, and again Carnegie Mellon University. The preliminary feasibility study concluded that a regional maglev system is feasible and could create a maglev industrial base in the region providing maglev systems to world markets.

In 1990, the working group formed Maglev, Incorporated. This unique corporation's shareholders include a cross section of business, as noted above, with the most recent addition of USAir, government, steelworkers, building trades, and academia.

Our first task was to complete a more extensive design, development, and demonstration study with the following objectives: plan the mid-Atlantic regional system connecting Pittsburgh to West Virginia, Ohio, the midwest, the east coast, as well as other cities in Pennsylvania; develop the manufacturing assembly plan; develop in greater detail plans and an environmental overview of a demonstration system linking downtown Pittsburgh with the new Pittsburgh International Airport; and finally develop a financing plan for the system.

Maglev, Incorporated is currently completing this study, developing conceptual alignments, cost estimates, and performance plans for the demonstration system and the regional system. This demonstration line will serve to prove the technology under commercial operation and to establish Pittsburgh as the maglev manufacturing center.

In addition, the demonstration line will serve as the critical first link in the regional system and complement other existing and planned transportation facilities in the corridor. The line will link the new Pittsburgh International Airport by an 8-minute ride to Station Square near downtown Pittsburgh. At this point, passengers can transfer to a light rail system and subway, buses, perhaps traveling on exclusive busways, water taxis, taxis, park-and-ride lots, an inclined railroad up the side of Mount Washington, or walk to downtown.

We have selected an existing technology because it is ready to build today. We will Americanize the system during the final design and it will be built with American labor and materials. The demonstration system has widespread community support, including that of local governments, business, labor, the academic community, State Legislature, and the Governor.

The estimated cost of the demonstration system is $500 million to $600 million, well within the amount authorized in the legislation for a prototype system. The total economic benefits would be $1 billion to $2 billion.

We believe that our system can beat the ISTEA requirement of being on the ground and running within 6 years. As Mr. Williams pointed out, perhaps as early as 4 years from today. Because it is in an existing transportation corridor, the demonstration system is forecasted to generate enough revenue from ridership to cover its operating and maintenance costs.

Maglev, Incorporated is prepared to expand this first link into a fully regional system serving all of Pennsylvania, West Virginia, and Ohio. The economic model developed indicates that such a system would, at a minimum, cover its operating and maintenance costs out of fare box revenue and bring tremendous economic benefits to the region by creating jobs and improving mobility.

A ridership model previously prepared for the Pennsylvania High-Speed Intercity Rail Passenger Commission indicates that depending on fare structure, a State-wide system would carry 7 million to 15 million passengers annually. Our economic model forecasted annual revenues of approximately $1 billion, which is considerably more than the projected $400 million annual operating and maintenance costs.

In closing, we are appreciative of the support for the high-speed ground transportation being put forth by the Administration and by Congress. We look forward to working with this committee and other Members of Congress to establish America's leadership in surface transportation.

Thank you again for affording us this opportunity to testify. If you have any questions we can deal with, we are prepared to do so.

[The joint statement of Mr. Brown and Mr. Williams follows:]

Joint Testimony
of
William S. Brown III, Chairman, MAGLEV, Inc.
Lynn R. Williams, President, United Steelworkers of America

Mr. Chairman and members the Committee, good afternoon. My name is Bill Brown and I am the Chairman of the Board of MAGLEV, Inc., a Pittsburgh based company which we believe is the only MAGLEV public/private/labor consortium in the country. Mr. Lynn Williams, President of the United Steelworkers of America, is also here on behalf of our organization. We very much appreciate the opportunity to appear before the Committee.

We are here today in support of the High Speed Ground Transportation (HSGT) programs being advanced by the Administration and by Congress. In his testimony to this sub-committee on March 25, 1993, Transportation Secretary Pena expressed the need to proceed with High Speed Rail (HSR) and the initial phase of a MAGLEV prototype development as part of the country's long-term commitment to providing the environmentally sensitive mobility we will need to compete in the global economy of the next century. The President, in his Comprehensive Economic Plan, has asked for an outlay of $646 million for MAGLEV and HSR between 1994 and 1997 as part of his program for economic investment in America, in addition to the $750 million authorized by Congress in the ISTEA legislation for a MAGLEV prototype. We are asking that the Administration's requests for HSR and MAGLEV be funded, and naturally, we feel our project is the only logical investment choice in demonstrating MAGLEV technology. Our project, which I am about to describe, is the only active MAGLEV project geared to quickly bring MAGLEV manufacturing and technology to the United States, and as such, is the only one endorsed by the AFL-CIO.

MAGLEV, an acronym for Magnetic Levitation, is a technology that many people have only recently become aware. MAGLEV, Inc., however, began to form six years ago, when Carnegie Mellon University established a High Speed Ground Transportation Center in Pittsburgh in response to the growing transportation crisis in the United States. While creating a database on HSGT technologies and projects around the world, the Center became aware of the rapid development in MAGLEV technologies and recognized that the future of HSGT Systems would be highway and airport oriented in addition to helping to revitalize passenger service from city center to city center. With Pittsburgh's strategic location midway between the east coast and the large cities in the midwest, planners at the Center recognized that an opportunity existed to implement an HSGT System to these regions out of a Pittsburgh hub. In 1988, the MAGLEV Working Group was formed. The Group was a unique public-private partnership which included private firms, labor unions, government representation at the City, County, and State level, a large utility, and the university. A preliminary feasibility study issued be the Group in 1990 concluded that a MAGLEV system linking Pittsburgh with the surrounding region is feasible, and could create a MAGLEV industrial base in the region, providing MAGLEV Systems to world markets.

In 1990, the Working Group formed MAGLEV, Inc. This unique corporation's shareholders include a cross section of businesses (with the most recent addition U.S. Air), government, steelworkers, building trades, and academia. We also have an expression of interest from Amtrak concerning the possible utilization of their operating and maintenance experience. The first task of the corporation was to complete a more extensive Design, Development and Demonstration (DD&D) Study with the following objectives:

- Plan the Mid-Atlantic Regional System connecting Pittsburgh to West Virginia, Ohio, the midwest, the east coast, as well as other cities in Pennsylvania.
- Develop a financing plan for the System.
- Develop a manufacturing and assembly plan.
- Develop, in greater detail, plans and an environmental overview of a Demonstration System linking downtown Pittsburgh and the new Pittsburgh International Airport. The Demonstration System will prove the technology, establish the Pittsburgh Tri-State Region as the American MAGLEV manufacturing base, and serve as the critical first link in the Regional System.

After rigorous study of alternative technologies, MAGLEV was chosen for the system, over conventional High Speed Rail (HSR). MAGLEV is high-speed guided ground transportation which depends on magnetic forces for vehicle suspension, guidance and propulsion. It operates on electricity, making it clean and quiet. It is also safe, as the MAGLEV cars wrap around an elevated guideway and cannot derail. The capital costs, approximately $30 million per mile, are similar to those of new highways, but the system is far less damaging to the environment. HSR systems have a lower capital cost, but higher operating and maintenance (O&M) cost. Since a MAGLEV system has no friction between vehicle and track with its attendant wear and tear, long term maintenance costs will be low compared to other rail systems. At speeds of 185 mph or more,. MAGLEV consumes 32% less electricity per seat-mile than other types of HSR. MAGLEV can reach its top speed of 300 mph in a distance of 3 miles, compared to HSR which requires 15 miles to reach a speed of 190 miles. This ability to attain higher speeds with much faster acceleration than HSR will increase ridership by reducing travel times and allowing more stops. It can climb much steeper grades and take sharper curves than HSR, critical factors in the rugged terrain in our area. The speed of such a system (150 to 300 mph) complements the air and auto modes by providing a desirable alternative for trips in the 100 to 600 mile range. Thus, MAGLEV can be used to link airports and city centers. This link will ease congestion in the air and on the highway. Air travel can then be used primarily for long trips, for which it is most efficient, and highways can similarly serve shorter trips with less congestion.

Once MAGLEV was chosen as the technology for the system, a type of MAGLEV technology had to be chosen. There are basically two types of high speed MAGLEV Systems. The electromagnetic suspension or EMS, commonly referred to as an "attractive" system,.uses electromagnets to pull the vehicle up toward the bottom of the guideway, while electrodynamic or EDS systems use superconducting magnets to generate magnetic fields to repel the vehicle up from the top of the guideway. Both systems use linear motors for propulsion.

EDS technology was first proposed here in the United States by Dr's. Gordon Danby and James Powell in the mid 1960's. Although several models and schemes were developed, most research stopped in the mid 1970's as federal funding was halted. The Japanese, however, picked up the research and ran laboratory tests of magnetic levitation using superconductivity in 1971. In 1979, a test vehicle without passengers achieved a speed of 320 mph on the Miyazaki test track. Since then, however, despite the spending of over $1 billion in research and testing, the system has been plagued by problems that will prevent it from achieving commercial operation before the year 2005. Recently, there has been a surge of activity in the United States to develop an all-American "leapfrog" MAGLEV, using EDS technology. It must be stressed, however, that such a system will require hundreds of millions of research and development dollars alone, and cannot possibly be ready for commercial operation in this century. This is not in agreement with MAGLEV Inc.'s goals to immediately start a system which addresses the growing transportation crisis in the region, and to deliver badly needed economic development through the creation of a new manufacturing base.

On the other hand, EMS technology is ready to build today. In fact, a low speed (30 mph) EMS system has been in commercial operation at Birmingham Airport in the United Kingdom since 1984. This "attractive" system technology goes back to 1922 when a German engineer, Herman Kemper, first proposed this principle for "floating trains". Full scale development of high-speed EMS began in Germany in 1969, and culminated in 1988 with the development of the Transrapid TR07, built by a consortium of German firms. Over $1 billion has been spent in developing this train, but unlike the EDS technologies, it is ready for commercial operation. It has been continuously tested on a 20 mile track at speeds in excess of 270 mph, has undergone rigorous tests for safety and reliability by the German government, and has been closely scrutinized by experts from all over the world, including the Unites States Federal Railway Administration (FRA). Because this technology is ready to put people to work and address our transportation problems today, it was chosen by MAGLEV, Inc. as the basis for the Regional and Demonstration Systems. In the course of preparing final design of such a system, MAGLEV, Inc. will Americanize the system to meet the unique needs of our market. We believe changes can be made to the guideway to lower the capital costs, and to allow it to take sharper curves at higher speeds, thus maximizing the use of existing highway rights-of-way. The signalling and communications systems also will be redesigned to make them state-of-the-art American systems. It is our intent to manufacture the system here, using American labor and materials. It can be noted that a double-track MAGLEV system uses one ton of steel per linear foot of guideway in terms of the economic impact of manufacturing such a system.

MAGLEV, Inc. is currently completing the DD&D Study mentioned previously. In this study, we have developed conceptual alignments, cost estimates and performance plans for the Regional System linking Pittsburgh to cities throughout Pennsylvania, West Virginia and the Mid-Atlantic Region. The study has also examined, in more detail, four alignments for a Demonstration System between the new Pittsburgh International Airport and the Downtown Pittsburgh area. This demonstration line will serve to prove the technology under commercial operation, and to establish Pittsburgh and the Tri-State area as the MAGLEV manufacturing center in North America. In addition, the Demonstration Line will serve as the critical first link in the Regional System, and complement other existing and planned transportation facilities in the corridor by serving as one of the most effective Intermodal Transfer Transportation Systems in the world. The line will link the new Pittsburgh International Airport via an 8 minute ride to Station Square near downtown Pittsburgh. At this point, passengers can transfer to a light rail system and subway, Amtrak, buses (traveling on exclusive busways), water taxis, taxis, park and ride lots, a commuter funicular or can take a short walk to downtown.

We would like to clarify a common misconception that this Demonstration System would largely duplicate services being provided by the proposed West Busway project being implemented by the Port Authority of Allegheny County. The Busway will serve local transit needs by connecting neighborhoods to employment centers and by providing a bus bypass of the highly congested Fort Pitt Tunnel and its approaches for the many existing local bus routes in the City's West End and near western suburbs. The busway is also needed as a congestion mitigation measure during the reconstruction of the Fort Pitt Bridge. The MAGLEV Demonstration System, on the other hand, is intended as a revenue producing MAGLEV technology demonstration that will establish Pennsylvania and the Tri-State area as a MAGLEV manufacturing center, and in the long-term become a critical link in the Regional System linking Pittsburgh Airport to other airports and city centers, including downtown Pittsburgh.

The Demonstration System has a widespread community support, including that of local governments, business, labor, the academic community, the state legislature and the Governor. The ISTEA legislation includes federal funding for design and construction of a prototype system, for which MAGLEV, Inc. is well positioned due to the work already completed. The estimated cost of the Demonstration System is $500 to $600 million, well within the amount authorized in the legislation for a prototype system. An economic model indicates that this investment will create 8,700 person-years of jobs during construction, primarily in the areas of manufacturing, construction, transportation and mining. The total economic benefits would be $1 billion to $2 billion. It is absolutely the only system which can beat the ISTEA requirement of being on the ground running within 6 years of starting the conceptual design competition, because it is based on a technology which already exists. Because it is in an existing transportation corridor, the Demonstration System is forecasted to generate enough revenue from ridership to cover its operating and maintenance costs, thus defraying some of the testing expenses that would be associated with the prototype system.

Upon successful completion and implementation of the Demonstration System, MAGLEV, Inc. is prepared to expand this first link into a fully Regional System serving all of Pennsylvania , West Virginia and Ohio. The economic model developed as part of the study indicates that such a system would, at a minimum, cover its operating and maintenance costs out of farebox revenue, and bring tremendous economic benefits to the region by creating jobs and improving mobility. A ridership model previously prepared for the Pennsylvania High Speed Intercity Rail Passenger Commission indicates that, depending on the fare structure, a statewide system would carry 7 to 15 million passengers annually. Our economic model forecasted that the system will generate annual revenues of approximately $1 billion, which is considerably more than the projected annual operating and maintenance costs, estimated at approximately $400 million.

Obviously, considerable public investment is required to generate the capital costs for the system, but the benefits are many and diverse. Construction of the system will create 675,000 person-years of employment, which translates to 22,000 full time jobs over a 30 year construction period. Manufacturing, in a region which desperately needs new industries, would account for 34% of this work, with 10% in construction, and the rest spread over other industries as the benefits multiply through the economy. The improvement in mobility created by the system will be crucial in bringing the economy of the region into the 21st Century. All areas of Western Pennsylvania, West Virginia and

Ohio will be opened to increased tourism and a dramatic increase in economic activity from the east coast. The speed of the system would make all of West Virginia and Western Pennsylvania "bedroom communities" to Pittsburgh and Washington, DC. These areas will also have the improved access they need to the new Pittsburgh International Airport, forecasted (by the FAA) to be the 8th busiest airport in the country by the year 2005. MAGLEV, Inc. is a well established, broad-based organization with the support of business, labor, academia, government and the public throughout the Pittsburgh and Mid-Atlantic Region. We have studied and selected a system which can improve mobility and create jobs now, not 15 years from now, with a technology that is more environmentally benign than any other mode of transportation in the world, An investment in this project is an investment in the future of this country.

MAGLEV, Inc. is appreciative of the support for high speed ground transportation being put forth by the Administration and by Congress. We look forward to working with this Subcommittee and other Members of Congress to reestablish America's leadership in surface transportation. We thank you for affording us this opportunity to testify.

Mr. CARR. Thank you very much, Mr. Brown.

Let me ask you a little bit about Maglev, Incorporated. You say that the corporation is a public/private/labor partnership and includes shareholders from a cross section of business with the most recent addition of USAir, government, steelworkers, building trades, and academia.

Tell me a little more about the corporation.

Mr. BROWN. Maglev, Incorporated is composed of—the utility, of course is Duquesne Light, AEG Westinghouse, the Steelworkers, Carnegie Mellon University, Michael Baker the engineering firm, Price Waterhouse is an advisor to us and a member of the board—it is very broad-based.

Mr. CARR. And they are all shareholders?

Mr. BROWN. All of the members mentioned above are shareholders. Of course, we have board representatives from the city, the State, and the county governments as well. But by law they are not shareholders.

Mr. CARR. What is the capitalization?

Mr. BROWN. At this point it is a little over $1 million.

Mr. CARR. In how many shares?

Mr. BROWN. It is nine shareholders times $140,000. I would be glad to get back to you on the specifics of that.

Mr. CARR. You mentioned USAir. Are they a shareholder?

Mr. BROWN. We are in the documentation phase of formally approving USAir as a member of the board.

Mr. CARR. How much money did they put out?

Mr. BROWN. They will put up $140,000, which will be in the form of transportation support.

Mr. CARR. In other words, their contribution is in-kind?

Mr. BROWN. That's correct.

Mr. CARR. So you are going to get $140,000 worth of plane tickets?

Mr. BROWN. That is correct.

Mr. CARR. Are the other shares in-kind or are they in cash?

Mr. BROWN. They are in cash.

Mr. CARR. What do you think of the maglev proposal in Orlando, Florida?

Mr. BROWN. We have a separate system. I would not want to be critical of someone else's efforts. We believe that we have the appropriate place to develop a maglev system. There are a number of different competing systems that have been looked at and that are being proposed. We feel that with the ridership studies and whatnot, that the corridors that we propose to serve are the appropriate corridors. And with the system that we have developed and the background support for the manufacturing that we believe maglev will bring, we feel that the system can be up and running in the shortest possible time.

Mr. COYNE. I might just add to that, Mr. Chairman, that Westinghouse AEG, a builder of cars for this concept, is located in Allegheny County.

Mr. CARR. I have no further questions.

Thank you for being here.

Thursday, April 1, 1993.

SOUTHERN CALIFORNIA PROJECTS

WITNESS

HON. ROBERT K. DORNAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. Carr. Our next witness is an old friend, Congressman Bob Dornan from the State of California.

Mr. Dornan. Mr. Chairman, as a fellow lover of the American automobile and automobiles in general, did you go to the showing last night of GM's Oldsmobile Aurora?

Mr. Carr. I have seen the Aurora at the North American Automobile Show. We don't know where it will be made, but it is being engineered up there. It is a fine-looking automobile.

Mr. Dornan. It's a great name because there are still rumors flying world-wide that we have some mach 5 airplane called the Aurora. I keep ensuring people that it does not exist, but it enters into the UFO category, so people refuse to believe it. So Oldsmobile showed great foresight in using that beautiful galactic name.

Mr. Chairman, because we have a vote, I am going to try to keep my statement on two key projects. That little Orange County that sits between our two most populous counties of Los Angeles and San Diego—for a whole decade there we were even bigger in population than San Diego County, but they have a lot more real estate and growing room.

The first project is the Bristol Street improvement project. Before detailing it, I want to thank the committee for all its past support of all the transportation projects in Orange County because I respresent the Democrat district right in the center of Orange County. I respectfully request the committee's support for $8.59 million in the fiscal year 1994 bill to continue this project.

Everyone in this room is aware of the massive transportation problems that we have in southern California, part of America built on rubber and American automobiles. Because of many complicated factors, our transportation systems as a whole are arguably the most overwhelmed in the Nation. Many communities are content to complain, but we were willing to do our share to solve these transportation problems and many of the communities in my district throughout Orange County have undertaken very aggressive measures to bring an end to this commerce-stifling gridlock and congestion. And one of those is this Bristol Street project.

It is a 3.9-mile segment of a north/south arterial. It is a major arterial that comes right in the middle of where two of the major freeways in the west come together—the Santa Ana I–5, which runs all the way up to Canada, and the San Diego I–405, which is just equally as well travelled. Then there are these State highways, east/west streets—SR 22, SR 57—they all come together in what has now become infamously known as the Orange Crush because it is the fourth most travelled interchange in the Nation.

By widening the surface street Bristol from a four-lane to a six-lane arterial, the traffic will be relieved on the I–5, this Canadian to Mexico major American highway. We all around here travel I–

95, which is the east coast equivalent of our I–5. That will improve access to John Wayne Orange County Airport, the proposed Anaheim intermodal complex, and the Orange County proposed monorail, which I certainly hope comes off. It will be an example to the whole Nation as the chairman of both this subcommittee and the major committee have observed in the past.

The total cost is $120 million. The city of Santa Ana is seeking only partial funding for just a .68-mile section at a cost of $33.5 million. This year's phase will cost a little over $10 million and Santa Ana, the city itself, will be contributing 20 percent of that figure.

Let me skip the next couple of paragraphs, which are vital but technical, and jump to the larger project and submit the rest for the record.

Second, I want to ask the committee to support $35 million to complete the transportation and environmental improvements on this massive I–5 freeway, running from Canada to Mexico. The subcommittee should be thanked and commended for past support on this vital project. The urban access and mobility title of ISTEA provided $14.8 million for 7 miles of high occupancy vehicle lanes between SR 57 and SR 91. This is the single most congested stretch in all of southern California and probably the whole State.

These 7 miles of lanes are now partially completed. The additional $35 million will allow us to fully complete it.

My next paragraph describes it a little bit and that will be included in the record.

In conclusion, Mr. Chairman, my good friend, I would like to address one last point. I can tell the difference—I think we all can—between real investments that create jobs and phantom investments that do not. Bristol Street and the I–5 improvement projects are solid investments in our Nation's future. By improving transportation in southern California, the economy of California and the Nation is improved.

Indeed, it is estimated that the time spent on congested freeways—and you are aware of this in your own area and on the east coast—is about $73 billion nationwide in lost productivity in 1990, the last available figures. In New York and Los Angeles alone, they have a chunk of $15 billion out of that $73 billion. We all know that time is money the way demands are made on us here.

So for these reasons, I have always supported transportation appropriation bills as a legitimate function of our Federal Government. I look forward to supporting this year's bill on the Floor of the House. I know the committee looks toward that and I understand completely that that is a fair request of those of us who come before you with hat in hand.

I commend the work of this committee for improving America's transportation systems, the envy of the world— Germany autobahns included—and I ask for their support for Bristol Street and I–5 projects.

Thank you, Mr. Chairman.

[The prepared statement of the Hon. Dornan follows:]

Honorable Robert K. Dornan

Testimony Before House Appropriations Committee
Subcommittee on Transportation

Honorable Bob Carr, Chairman
April 1, 1993

Thank you, Mr. Chairman, for the opportunity to testify on behalf of two critical transportation projects that will affect my district in Orange County, California, as well as all of Southern California.

The first project I will discuss today is the Bristol Street Improvement Project. But before detailing the substance of this project, I extend my thanks to the subcommittee for its past support of transportation projects in my district, and I respectfully request the Subcommittee's support for $8.59 million in the FY 1994 appropriations bill for the Bristol Street Improvement Project.

Mr. Chairman, everyone in this room is aware of the massive transportation problems we have in Southern California. Because of many complicated factors, Southern California transportation systems as a whole are arguably the most overwhelmed in the nation. While many communities are content to complain but unwilling to solve their transportation problems, the communities in my district and throughout Orange County have undertaken aggressive measures to solve their problems and bring an end to commerce-stifling gridlock and congestion. One community focused its efforts and money on the Bristol Street Project.

The city of Santa Ana has embarked on a significant effort to widen and improve a 3.9 mile segment of Bristol Street, which is a major north-south arterial surface street in Orange County. Currently, there is considerable congestion on all transportation routes in Orange County, including the Santa Ana (I-5) and San Diego (I-405) Freeways. In fact, Bristol Street connects the interchange of SR-22, SR-57, and I-5 in the North to I-405 in the South. This northern interchange has become infamous as the Orange Crush because it is the fourth most travelled interchange in the nation. By widening Bristol Street from a four-lane to a six-lane arterial, congestion will be relieved on traffic choked I-5, not to mention Bristol Street itself.

In addition, upgrading Bristol Street will improve connections to five major highways, including state highways 22, 55, 57, and 91, as well as I-405. The widening will improve access to the proposed Orange County monorail, the proposed Anaheim Intermodal Complex, and the John Wayne/Orange County Airport.

The total cost for improving Bristol Street is $120 million. The City of Santa Ana is seeking partial federal funding of only a 0.68 mile section of Bristol Street, from Pine to Tenth Street. This funding will improve what is now one of the busiest intersections in the county at a cost of $33.5 million, with this year's phase costing $10.23 million. Santa Ana will be contributing 20% of this year's cost to this section of the project.

The Bristol Street Improvement Project has received federal funding in the past. The Intermodal Surface Transportation Efficiency Act (ISTEA) included $4.1 million to initiate the Project. I want to make every effort to see that this critical transportation project is completed, particularly since both the federal and local partners have committed themselves to its completion.

It is also important to note that the Bristol Street Improvement Project is ready to go. All environmental work has been completed and there would be no delay from funding to the beginning of construction.

Second, I would ask the Subcommittee to support $35 million for FY 1994 to complete transportation and environmental improvements on I-5, the major freeway running down the West Coast from Canada to Mexico.

This Subcommittee should be commended for its past support for this vital national project. The Urban Access and Mobility Title of ISTEA provided $14.8 million for 7 miles of HOV lanes between state routes 57 and 91. This is the single most congested stretch of Southern California roadway, and this project is essential if we are ever going to see an improvement in Southern California's transportation and environmental problems. These seven miles of lanes are now partially completed and the additional $35 million will allow this project to be fully completed.

In addition to the funding, I would respectfully request that, in keeping with the spirit of ISTEA, the HOV-use designation be expanded to include "multi-modal" facilities construction. As intended by the original ISTEA legislation supported by this Committee, communities were to be given broad control over appropriated funds. By expanding the HOV-use designation to include multi-modal use, the I-5 project will be even better than originally intended.

In conclusion, Mr. Chairman, I would like to address one last point. As a conservative, I can tell the difference between real investments that create jobs and phantom investments that do not. The Bristol Street and I-5 improvement projects are solid investments in our nation's future. By improving transportation in Southern California, the economy of California and the nation will be improved. Indeed it is estimated that time spent on congested freeways cost about $73 billion nationwide in lost productivity in 1990. In New York and Los Angeles alone, the annual cost of congestion is $15 billion.

As we can see, time is money. The more this committee can improve transportation throughout the country, the more our workers, our products, and our services can be speeded to their destinations. That is money in the bank for both American businesses and workers. For these reasons, I have always supported transportation appropriations bills as a legitimate function of the federal government, and I look forward to supporting this year's bill on the floor of the House.

I commend the work of this committee for improving America's transportation, and I ask for their support of the Bristol Street and I-5 improvement projects.

Thank you, Mr. Chairman. I would be glad to answer any questions.

Mr. **Carr**. I have no questions.

Thank you for being here. I might just let the gentleman know that I will be glad to get up to the learning curve on Bristol Street and what that is. I might indicate to you that I spent probably an hour and a half or two hours on nothing but Interstate 5. You do have some needs there and I look forward to working with you on them.

Mr. **Dornan**. Thank you.

Mr. **Carr**. With that, we will take a short recess for this vote and come back for our last witness.

Thursday, April 1, 1993.

WITNESS

HON. FRANK PALLONE, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

Mr. **Carr**. I would like to welcome to the Committee Congressman Frank Pallone of New Jersey, whose patience probably merits our special consideration. We will make your prepared statement a part of the record and ask you to proceed.

Mr. **Pallone**. I am just going to sum up, if I could.

I was listening to some of the testimony earlier about how you often ask the question as to why the normal funding doesn't reach these projects, which I take to be the formula funding that is available. I don't really have the answer to that. Apparently the two projects for which I am asking support in my district are ones which the State at least has indicated to us would not be a part of the formula funding. They are asking if they can be reached through some kind of earmarking or discretionary funding. I would probably have to get back to you on that.

But essentially the two projects—both of these are authorized, I should say. One is a new transportation link, basically a rail line for the western part of Monmouth and Ocean counties and areas part of which I used to represent and part of which I continue to represent after the redistricting.

Basically, this is a growing area—two counties that have achieved a tremendous population growth in the last 10 years or so and find that an existing rail line, which is basically along the coast in the eastern part of the region, is not satisfactory. They are looking for an additional rail line in the western part of the region that would link up with North Jersey and ultimately New York City.

We do have, I understand, a $1.8 million grant from the MTA to begin the planning. There was $3 million appropriated for fiscal year 1993 to continue with the design work. Essentially, we would need an additional $3 million in fiscal year 1994 to complete the design work on the project. That would be prior to any construction work.

If you want me to help you with that map, if you look in the central Jersey area and you identify along the coast—or not too far from the coast—in Ocean County Lakewood, New Jersey—I don't know if you can see it on there.

Mr. CARR. I have Ocean County.

Mr. PALLONE. A little inland from the coast is Lakewood in Ocean County in the northern part.

Mr. CARR. I have it.

Mr. PALLONE. We are talking about a rail link that would travel there through the western part of the county and essentially link up to the—if you just travel north, essentially, up to the Amboys.

Mr. CARR. Along US 9?

Mr. PALLONE. Yes. Essentially, it is an alternative to US 9 because US 9 is the major artery there and that is terribly clogged with all kinds of traffic congestion. This is envisioned essentially as an alternative to Route 9 that would link up to the North Jersey coastline around the Amboy area, or even possible to the Amtrak line, depending on how the design goes.

That is one project.

Mr. CARR. Could I ask you a question on that one before we get to the other one?

Mr. PALLONE. Sure.

Mr. CARR. Is this an existing rail link now?

Mr. PALLONE. Yes. There is an existing freight line and part of it is also Conrail. The majority of it, I think, is Conrail. Some of it is used for freight now and some of it is just not used at all. But there is an existing right-of-way in line there.

Mr. CARR. So the $3 million would be used for what? To upgrade existing track? Or to lay a separate track on the right-of-way?

Mr. PALLONE. No, this is strictly for the design work. In other words, we have an MTA grant of $1.8 million for the planning and $3 million in each of fiscal years 1993 and 1994 to provide for the completion of alternatives analysis, preliminary engineering, and environmental impact statement. That is what we're talking about.

My understanding is that there was $3 million appropriated in last year's fiscal year 1993 budget and we are looking for an additional $3 million pursuant to the authorization.

Mr. CARR. And what is it aimed at doing? Upgrading track? Laying new track?

Mr. PALLONE. As I said, I have actually been across the whole length of the travel. But we essentially had to travel on a little jeep that went along the track. For the first third of that from Lakewood north, there is an existing freight line. Then for the next third of it, there is an existing track, but that has been overgrown and is not used. Then for the northern third, there is an existing freight line.

So we aren't talking about any of the construction phase here. You would have to basically upgrade the existing Conrail track and probably lay some new track in the area that is overgrown. But there is a right-of-way.

Mr. CARR. And who is going to operate this?

Mr. PALLONE. It would be the commuter line for New Jersey Transit. The North Jersey coast line, which runs along the coast in a similar area is the New Jersey Transit Line that eventually uses the tracks of Amtrak further north.

Mr. CARR. All right.

Now your next project?

Mr. PALLONE. The next project, which is also authorized, is basically for the completion of Route 18. Route 18 essentially starts in the southern part of Monmouth County near the Belmar area, which is along the coast, and has been completed as far north as New Brunswick, which is now in my district.

We are trying to get the actual construction funds to complete that last gap that would link Route 18 to Federal Interstate 287, which as you can see is north of New Brunswick.

This is essentially—for a number of purposes—first of all, this is a major employment corridor for business, industry, and manufacturing between New Brunswick and 287. In addition, it would provide better access for Rutgers sporting events. Rutgers University is essentially located between New Brunswick and 287 in Piscataway. That is where the new athletic stadium is. All the sports facilities are located in there.

I can't tell you how much is in the sports even or employment, but essentially, it is the missing link in that whole transportation corridor that would link Route 18, bringing people from Monmouth County into Middlesex County, and then to 287, which goes further north into the western parts of Morris, Somerset, and further north, as you can see.

My understanding is that the State is using Federal money for the design work. They are looking for funding for the actual construction, otherwise the construction would be delayed.

Again, why the normal funding doesn't reach these projects, I don't know. I probably would have to get back to you on that.

Mr. CARR. You could get a letter from the New Jersey DOT. Perhaps they weren't thinking that a supplemental would be coming along. In the supplemental, New Jersey gets $86 million.

Mr. PALLONE. Exactly.

Actually, at one point I was reading in the newspapers that the supplemental would hopefully include that project. So I think I need to get back to you on that.

Mr. CARR. We need to have on any of these highway projects, in particular, an indication from the State DOT as to where this particular project is in the pecking order of their funding, the pecking order of need, et cetera. A lot of times, I have had projects in my own State where the need was great, but the reach of the dollars was just always on the bottom edge, although it was a highway that was listed as one of the most dangerous in southeastern Michigan. But because it was a high cost to fix, the State decisionmaking authority always found more miles per dollar someplace else. They never seemed to quite get to this project.

But they were helpful in documenting the need for it and everything else, despite the fact that the money didn't come. We need to have a record showing their support.

Mr. PALLONE. We will definitely follow up on that for you. I appreciate your patience.

Mr. CARR. On my map, I show 18 connecting with 287.

Mr. PALLONE. There is the last section that is not complete. If I could just show you this, it is that section right there that is incomplete.

Mr. CARR. This is a small map, and I was assuming that 18 took a turn. I was actually looking at Route 1.

Mr. PALLONE. Once you get into New Brunswick, the section that is completed actually goes a little north of New Brunswick into Piscataway, I believe.

Mr. CARR. From this map, it does look as if there is a river that has to be crossed.

Mr. PALLONE. That is the Raritan. That is correct. Right now, there is a—I don't think the river is part of the project because I believe 18 does go over the river.

I believe it gets to the other side of the river?

Mr. CARR. We will have to get some larger maps. We don't have enough of this area.

Mr. PALLONE. I believe the bridge takes you over the river and then that is where it ends because when you get to the other side of the river, that is where you have to go to secondary roads again.

Mr. CARR. If the State Highway Department has some good blowups of this area, that would be helpful.

Mr. PALLONE. Certainly, Mr. Chairman.

[The prepared sttement of the Hon. Pallone follows:]

Statement of Representative Frank Pallone, Jr.

Subcommittee on Transportation Appropriations

March 31, 1993

Mr. Chairman, thank you for allowing me an opportunity to bring several projects to your attention.

Despite the 20% reduction in federal funding because of the obligation ceiling in last year's budget resolution, the State of New Jersey has established an ambitious capital program. I am here to support them in this effort and to encourage the panel to seriously consider providing discretionary funds which may be available to move these projects ahead.

The first of these projects is to provide money for the design of a transportation link between western New Jersey and the North Jersey Coast Line. I was able to obtain authorization for this project in the Transportation bill when I served on Public Works. The State has received a $1.8 million dollar grant from the MTA to begin planning and design. If the Committee were able to provide $3.0 million during FY 94, the State can continue without interruption in planning and complete the project, as intended within a four - five year time period.

Another project which is a priority to the State is the completion of Route 18. The State had intended to complete design, right of way acquisition and construction for the extension of Route 18 from its present terminus at River Road to Route I-287. Unless we can obtain an additional $44.6 million in federal funds, the State must delay construction.

The project will complete a gap in the State highway system and provide better access for Route 18 traffic trying to reach I-287, Rutgers University and employment centers in the northern part of Piscataway and points north of I-287. The University and State are both anxious to begin promoting more sports events and concerts and to complete the transport link to major employment centers.

Any help this panel can provide in working to accelerate these projects would be helpful. Thank you.

Mr. CARR. We don't make these requests to be vexatious. It is really that we don't know when we get to the Floor who is going to put their cross-hairs on what. If it happens to be something we have helped deal with, we want to have it all sitting right there so that we can make the defense.

Mr. PALLONE. I understand.

Mr. CARR. Thank you.

Mr. PALLONE. Thank you very much.

Mr. CARR. With that, today's meeting of the Appropriations Subcommittee on Transportation is concluded.

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